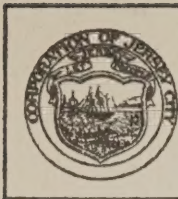


FEINBERG



**Jersey
City**
housing crisis



CITY OF
JERSEY CITY
CITY HALL • JERSEY CITY, N. J. 07302
(201) 434-3600

PAUL T. JORDAN, M.D.,
Mayor

July, 1973

DEAR CITIZENS:

During recent years the City of Jersey City has made major efforts to upgrade the level of housing and renewal in our neighborhoods. Despite the progress which has been made many housing problems remain unsolved. These problems are the result of many complex social, economic, governmental, financial, and educational factors which effect every major urban community.

Jersey City's housing analysis, entitled "Housing Crisis" attempts to take a look at the progress which has been made and the many problems which remain. Only by attempting to develop a clear understanding of the level of housing supply and demand, the degree of substandard housing and code compliance and the problems endemic to housing production can the City hope to determine realistic goals, objectives, and priorities for a housing program for the present and the future.

This housing report also places heavy emphasis upon the need for local, state and federal funding as well as cooperation and support from the private sector. After reading this report, you will come to understand that not only are there many problems in providing housing for low and moderate income families, but that there are just as many problems in developing housing for middle and higher income families in Jersey City. The current moratorium on funding programs constitutes a major roadblock in the City's efforts to achieve many of the housing goals contained herein. Despite this moratorium the City of Jersey City, especially those responsible for developing sound housing programs, is not prepared to allow funding cutbacks to deter the City's housing efforts.

Truly, a "housing crisis" does exist in Jersey City. Only through the efforts of the local, state, federal and private sectors as well as the concern and commitment of every Jersey City resident will such a crisis be overcome.

Sincerely,

Paul T. Jordan, M.D.

Paul T. Jordan, M.D.
Mayor

HOUSING CRISIS

A Technical Report of the
Division of Planning
City of Jersey City,
New Jersey

Paul T. Jordan, M. D. Mayor

Office of Planning
City of Jersey City, N. J.

September, 1973

The preparation of this report was financed in part through a comprehensive planning grant from the Department of Housing and Urban Development under provisions of Section 701 of the Housing Act of 1954, as amended.



Digitized by the Internet Archive
in 2023 with funding from
Jersey City Free Public Library

<https://archive.org/details/jerseycityhousin00jers>

TABLE OF CONTENTS

	<u>PAGE</u>
SUMMARY	I
I. INTRODUCTION	1
II. PART I - HOUSING PROBLEMS AND OBSTACLES IN JERSEY CITY	
Regional Housing Trends	3
The Housing Need in Jersey City	3
The Demand for Housing	6
Nature of the City's Housing Stock	14
Housing Construction Trends	38
III. PART II - POLICY OBJECTIVES	
Housing Supply	67
Housing Choice	68
Housing Production and Services	68
Financing	69
Zoning	70
Property Taxes and Taxation Policies	70
Governmental Organization	71
Code Enforcement	72
Security of Occupancy.....	72
Economic Development & Housing	72
Community and Environmental Quality	73
Participation and Housing	73
Brownstone Renovation	73

IV. PART III - PLANNING AND IMPLEMENTING ACTIVITIES

Housing Supply	74
Housing Choice	86
Housing Production Services	87
Financing	88
Zoning	90
Property Taxes & Taxation Policies	91
Governmental Organization	92
Code Enforcement	93
Security of Occupancy	97
Economic Development & Housing	97
Community & Environmental Quality	98
Participation & Housing	99
Brownstone Renovation	99

TABLES

	<u>Page</u>
1. Gross Rent As a Percentage of Income by Income Group.....	7
2. Change in Age Breakdown Between 1960 and 1970	10
3. Change in Racial Composition Between 1960 and 1970	13
4. Occupancy Potential Within the Jersey City Housing Market Area	15
5. Derived Jersey City Occupancy Potential	16
6. 1970 Housing Data By Community	17
7. Building Conditions By Community	19
8. Housing Condition Summary.....	21
9. Demolition Activity in Jersey City	23
9A. Demolition and New Construction Activity in Jersey City, 1968-1972	24
10. Housing Statistics Based Upon 1970 Census Data	25
10A. Ownership Characteristics of Occupied Housing Units, 1940-1970.....	26
10B. Tenure of Housing Units in Jersey City	27
10C. Age of Housing Stock in Jersey City.....	28
11. Housing Demand/Need Vs. Housing Supply in Jersey City - 1969	30
11A. Changes in Housing Demand/Need in Jersey City--1969-1980.....	31
12. Existing Subsidized Housing Units in Jersey City	33
13. Proposed Subsidized Housing Units in Jersey City	35
14. New Residential Construction in Jersey City, 1960-1972.....	41
14A. Profile of New Residential Construction in Jersey City, 1960-1972 In Units.....	42
14B. Profile of New Residential Construction in Jersey City, 1960-1972 In Structures	43
15. National Housing Needs: Estimates for Fiscal Years 1969-1978	44
16. National Housing Goals and Actual or Estimated Production, Fiscal Years 1969-1972	45
17. Average Union Hourly Wage Rates for Selected Building Trades	46
18. Housing Rehabilitation Sponsors in Jersey City	47
19. Estimated Overall Costs of New Construction 1960-1972 and Major Rehabilitation 1969-1972 in Jersey City	50
19A. Costs of New Construction in Jersey City 1960-1972	51
19B. Costs of Major Rehabilitation in Jersey City, 1969-1972.....	52
20. Summary of Mortgage Lending in Jersey City, 1970-1971.....	55
21. Code Enforcement Activity in Jersey City, January--December, 1972	62

MAPS

	<u>Page</u>
1. The New York Urban Region	4
2. The Jersey City Housing Market Area	5
3. Community Boundaries	8
4A. Distribution of Negro Population in Jersey City, 1960	11
4B. Distribution of Negro Population in Jersey City, 1970	12
5. Existing Subsidized Housing Units in Jersey City	34
6. Proposed Subsidized Housing Units in Jersey City	37
7. Housing Planning Areas in Jersey City	78
8. Proposed Waterfront Land Use	83

SUMMARY

The report which follows offers a comprehensive study of the conditions contributing to the nature of Jersey City's current housing stock. Furthermore, the report provides a detailed examination of policy objectives as well as discussion of the means to implement those policies and attain the ultimate goal of providing an adequate supply of affordable sound housing for all Jersey City residents.

The significant points of the report are summarized in the pages which follow. These points should be examined in the context of the extensive discussion and statistical data to be found in the body of this report.

HOUSING PROBLEMS AND OBSTACLES IN JERSEY CITY

- Housing Development throughout the New York-New Jersey Urban Region has been far below the need.
- An average increase of 100,000 new households throughout the region is projected annually to 1985. In addition, 70,000 units should be rehabilitated or modernized on an annual basis. The projected figure of 170,000 new units annually is far below housing production, which was 132,000 units annually between 1960 and 1965 and dropped to 97,000 units annually in 1966 and 1967.
- New residential construction in Jersey City has been far below the need. Occupancy potential for the two year period 1969 and 1970 was approximately 9,708 new units as opposed to actual construction of only 280 new units during that period. The supply of new housing has been greatly improved in fiscal year 1972-73.
- Over 66% of Jersey City families would be considered eligible for some form of subsidized housing according to the federal guidelines.
- 59.1% of families living in Jersey City and earning less than \$5,000 annually pay more than 35% of their income for rent.
- Although the total number of families and individuals have declined in the last decade in Jersey City, the demand for housing that is affordable has remained acute.

- Almost 2/3 of the Jersey City Housing Stock is at least 50 years old.
- The Blight Report for Jersey City's Community Renewal Program reported in 1968 that 31.30% of all structures were in fair or poor condition.
- Most fair and poor condition structures are heavily concentrated in the Downtown and Lafayette sections of the City.
- 39% of the City's housing stock in 1972 is considered substandard, and it is estimated that 31% of all substandard units are deteriorated and 7.9% are dilapidated.
- The median contract rent is \$92/month. The greatest need is for units under \$50 and in the \$160-199 monthly rent ranges.
- Only 11.7% of those families potentially eligible are served by subsidized housing. No new Public Housing units have been developed in Jersey City over the past two years.
- The high cost of land, labor, and building materials, present major obstacles to new residential construction in Jersey City.
- Cumbersome federal and state financing procedures create further obstacles to housing production.
- Currently a moratorium exists on F.H.A. mortgage interest subsidy programs and conventional mortgages are difficult to obtain.
- City-owned land and tax lien properties have been vastly underutilized as a resource for development.
- There is no centralization or computerization of housing data for Jersey City. Similarly, there is no centralized bureau to receive and analyze complaints.
- No financing mechanism presently exists for large scale community development.
- Obstacles to sound housing are created by large scale absentee ownership and cumbersome foreclosure procedures.
- Programs to induce housing maintenance such as code enforcement, are inadequate; furthermore, loans and grants for maintenance activities are unavailable to large segments of the population.

- Public housing, which hopefully would provide adequate housing for a number of low income individuals and families, is plagued with numerous problems arising from poor management as well as from the general social and economic problems of the community at large.
- Relocation of families and business affected by urban renewal and capital improvement presents further pressure on the housing stock.
- The property tax system is a particular hardship to the homeowner, moreover, no tax incentives exist to encourage homeowner residential rehabilitation.
- Court enforcement of code compliance has been totally inadequate. Violators, in many cases, go unpenalized, and consequently violations remain uncorrected.

POLICY OBJECTIVES

The policy objectives described in this section of the report present a framework for meeting the housing needs of Jersey City residents. The objectives described offer a comprehensive approach to the development, rehabilitation and preservation of Jersey City's housing stock. Moreover, the policy objectives relate housing to the broader issue of sound overall community development.

A number of the significant policy objectives are outlined below. They should be examined in relation to the needs previously outlined, and to the Planning and Implementing activities which will follow.

The major policy objectives are as follows:

- Increase the supply of housing for all income levels in Jersey City.
- Encourage diversity in density and income through the use of scattered site development as well as leasing and rent supplement programs.
- Insure an open housing policy for all persons regardless of race, age, religion, sex or ethnic background.
- Expand housing choice through the utilization of a variety of construction techniques such as modular and panelized housing.

- Develop housing on a large scale in deteriorating neighborhoods through the mechanism of a Community Development Corporation with bonding ability.
- Encourage the Federal and State Governments to take an active role in funding housing programs for low and moderate income families.
- Adopt a progressive zoning ordinance that encourages sound residential development and allows for flexibility in housing design and type.
- Coordinate all municipal housing activities through the Community Development Department.
- Develop and implement an effective program of code enforcement and compliance.
- Insure that tenants rights are protected and that they are afforded safe and sound living conditions.
- Encourage high environmental standards in residential construction.
- Establish and foster citizens participation in planning new housing construction.
- Encourage the rehabilitation of the numerous brownstone and architecturally significant structures in Jersey City.

PLANNING AND IMPLEMENTING ACTIVITIES

In this section of the report the policy objectives previously described are translated into on-going or planned activities. Through the means described in this section of the report, all efforts will be directed to maximize the achievements of the housing objectives.

- The housing supply in Jersey City can be increased through urban renewal and new private construction. A number of projects are presently in construction or planning. They seek to utilize a variety of available housing approaches, such as scattered site development, rent supplement and leasing programs.
- Innovative housing construction techniques are being encouraged and evidenced through the Operation Breakthrough Development.

- A Housing Information Center is currently in operation and provides assistance to private citizens, developers and community groups.
- The creation of a Jersey City Community Development Corporation will enable the City to develop housing, on a large scale, in deteriorating or underutilized areas of the City. It will also provide housing subsidies for moderate and low income families and is an essential mechanism for moving forward toward the goal of adequate housing for all.
- Local financial institutions should be encouraged, with city government participation, to develop a fund from which below market interest rate mortgage loans would be given for the rehabilitation of existing housing and the development of new housing.
- The adoption of a new zoning ordinance, currently in preparation, will foster sound residential development and offer a comprehensive foundation for overall positive community development.
- Legislation will be sought to develop tax incentives for property owners which will encourage residential rehabilitation and homeownership.
- The recent creation of a Jersey City Community Development Agency will have a positive effect on the coordination of all governmental activities in the housing field.
- Code enforcement with adequate financial assistance to aid in compliance will be utilized as a tool for maintaining and upgrading the housing stock.
- All new housing development will be fully coordinated with necessary social and economic programs.
- Local residents will be an integral part of all planning activities involved in the development of new housing.
- Legislation will once again be sought to reduce the four year tax foreclosure period to a more reasonable period.

The Housing Crisis Report presents an affirmative plan for meeting the housing needs of Jersey City. The report should be carefully examined and its recommendations acted upon, in order to insure the City's forward movement toward the provision of a safe, sound and affordable residence for all.

INTRODUCTION

The Initial Housing Analysis represents Jersey City's preliminary attempt to analyze and develop a housing plan based upon the problems, objectives and planning activities which encompass Jersey City's continuous effort to ameliorate the many housing and related urban problems which affect the City. The Housing Analysis consists of three parts -- an analysis of: (1) Problems and Obstacles, (2) Objectives, (3) Past, Current and Future Planning Activities, and Priority Actions. This format is consistent with the Department of Housing and Urban Development's recommended guidelines in developing an Initial Housing Element.

In formulating any major housing program for Jersey City, it must be emphasized that the existence of a housing problem stems from a variety of sources. The nation's social structure, the economic condition of cities, as well as the current state of national priorities all act as variables which directly or indirectly effect "housing conditions" in every highly urbanized area throughout the country. In addition, no housing program, however comprehensive it might hope to be, can negate the fact that housing problems and conditions reflect, and are an integral part of, an urban area's total economic, financial, political, social, educational, intra-and intergovernmental system.

The efficacy and success of a city's urban housing program is affected and altered by the many variables which compose an urbanized area's total environment: its educational system, income and employment levels, municipal finance level, social and public service system, community redevelopment program, property tax system, etc. All of the above, plus many other factors, affect the housing program in Jersey City. In preparing Jersey City's Initial Housing Element, an attempt has been made, therefore, to stress and focus upon the inter-relatedness of housing problems, obstacles and objectives with the other variables affecting urban life in the City and the entire urban region.

Jersey City's Housing Analysis contains policy objectives, some of which are long range, to be used as guidelines to ensure the proper planning and development for the housing needs of Jersey City and the New York Metropolitan Area. Although the focus within Part II (Objectives) is on the amelioration of the many housing problems and obstacles affecting Jersey City, it must also be emphasized that

many City agencies, as well as private groups have been and are making major efforts to develop housing as part of a comprehensive housing program for Jersey City. It is not the intent of this report to chastise certain actors in the housing field but rather to indicate collective problems and obstacles and to develop and implement policies designed to ameliorate existing deficiencies in Jersey City's total housing program.

Part III contains Jersey City's planning activities and priority actions. Both of these sections attempt to develop strategies (both long range and short term) for the development of a comprehensive housing program. As new information, statistics and data become available through additional research and experience, additions and alterations will be made to the Housing Analysis's objectives and strategies.

This report has been prepared under the auspices of the Division of Planning, with the assistance and cooperation of the following: Jersey City Redevelopment Agency, Housing Authority, Model Cities Agency, Building Department, Tax Assessment Division, Land Sale Committee, Mayor's Action Bureau, Department of Health and Welfare, Department of Community Affairs, the Mayor's Citizens Advisory Council and non-profit, limited dividend sponsors, housing developers and builders.

PART I
HOUSING PROBLEMS AND OBSTACLES IN
THE
JERSEY CITY HOUSING MARKET AREA

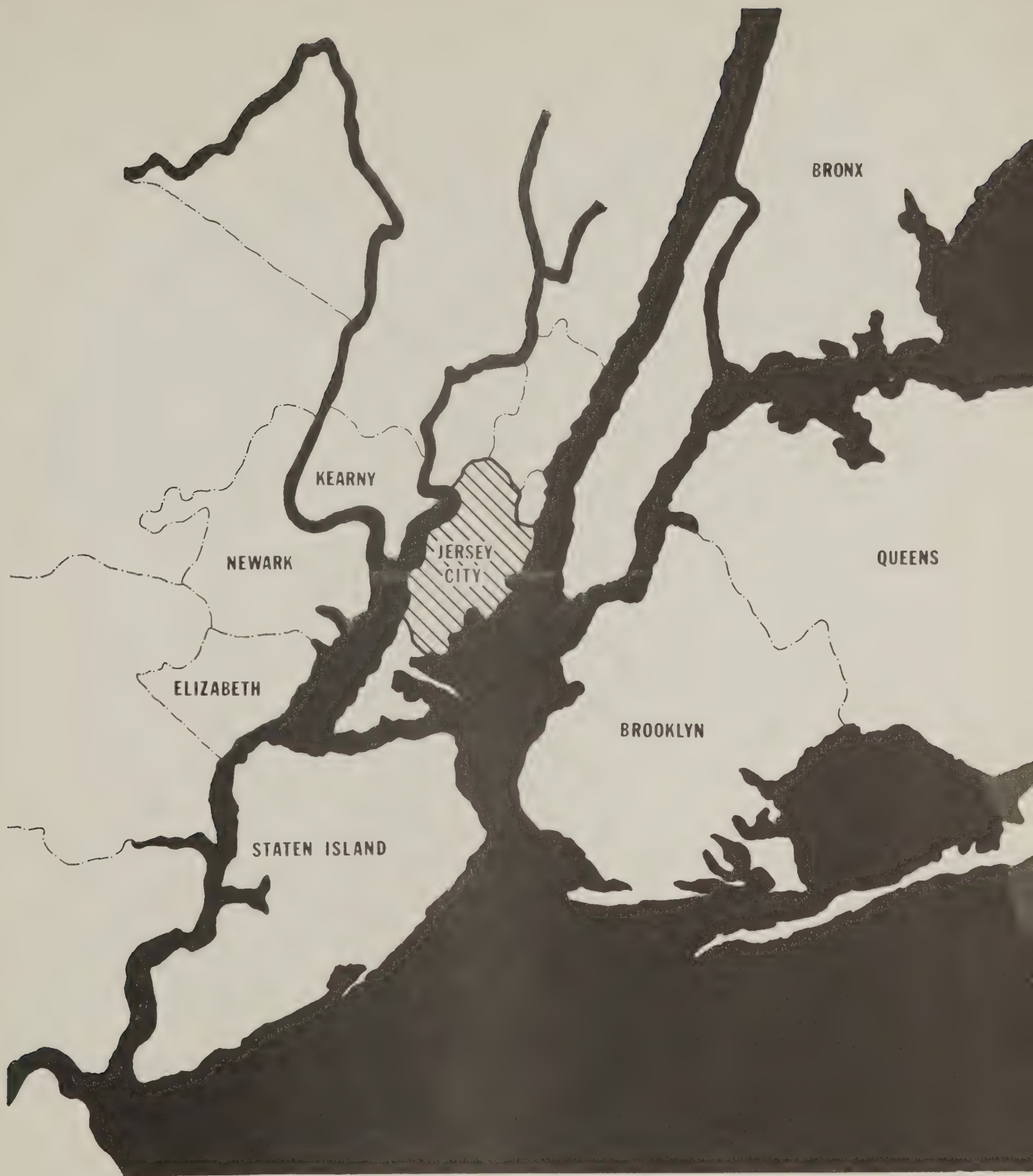
REGIONAL HOUSING TRENDS

By the year 1985, the number of households and, therefore, the demand for housing units will increase by one-third in the New York Urban Region. For the Region as a whole, the added population will be translated into about 2.1 million new households in the period 1965 to 1985, an average increase of more than 100,000 households annually. The New York Urban Region encompasses 31 counties (12,750 square miles and 20 million people) in New Jersey, New York and Connecticut surrounding the Port of New York. According to studies undertaken by the Regional Plan Association, the Region will require two million more housing units in order to accommodate increasing households, or an average of 100,000 units annually. In addition, about 1.4 million housing units should be replaced or substantially rehabilitated and modernized over the 1965 to 1985 decades, an average of 70,000 housing units annually.

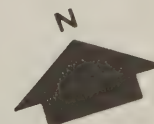
During the 1960's, the New York-New Jersey Urban Region has not produced 170,000 units annually. Rather, the Region's annual housing production rate was 132,000 units annually between 1960 and 1965, but dropped to 97,000 annually in 1966 and 1967.¹ In summary, the annual rate of new housing construction in the Region during the 1960's has been below the amount needed for new households and for replacement and rehabilitation of the existing stock, without any improvement in density rates.²

THE HOUSING NEED IN JERSEY CITY

The City of Jersey City, which is part of the New York Urban Region, see Map #1, is directly influenced by the population and housing need projections for the entire Region. Attempts to plan for housing market supply and demand for a specific urban area such as Jersey City can no longer be done without considering the total regional housing picture. Despite the fact that Jersey City's total population has decreased by 5.6% during the past decade, (from 276,101 to 260,545) the City's housing supply is still characterized as a deficit of decent housing units at costs suitable to the Jersey City Housing Market Area's population. The Jersey City Housing Market Area encompassess all of the communities within Hudson County and is coterminous with the Jersey City Standard Metropolitan Statistical Area (SMSA), see Map #2. Jersey City comprises 42.8% of the total Hudson County population and is the largest municipality within the County.



REGIONAL SETTING



SCALE IN FEET
0 1000 2000

MAP

1



MAP

JERSEY CITY HOUSING MARKET AREA

2

THE DEMAND FOR HOUSING

Current figures indicating housing supply and demand for low-and moderate-income units in Jersey City are based upon a variety of sources and estimates compiled during the last three year period since 1969. Based upon 1970 Census data, the number of Jersey City households has decreased by 0.8% from 88,556 to 87,853. The number of all year round housing units is estimated to be 91,956 according to the 1970 Census.

The critical demand for decent housing at costs consistent with income levels in Jersey City is presented in Table 1. As can be observed from Table 1, of the 21,827 families in Jersey City earning less than \$5,000 annually, 12,895 (59.1%) pay more than 35% of their income in gross rental costs. Of the 23,185 families earning between \$5,000 and \$9,999, the median rental drops to 18.2% of a family's annual income. Generally, therefore as renters' income increases in Jersey City the percentage of that income which must be allotted to housing costs decreases from a high of 35% to a low of 10% for those earning over \$15,000 annually.

The demand for adequate low-cost housing in Jersey City as compared to the current availability of such housing shall be stressed several times within Part I through a variety of facts and figures. Most significant are 1970 Census statistics on income characteristics of the Jersey City population:

16.4% of all Jersey City households(11,702 households) had incomes below the poverty level (i.e., \$3,743) for a non-farm family of four in 1969.

The median income of all families and unrelated individuals in Jersey City (93,140) is \$7,569. This figure indicates that half of the 93,140 families and unrelated individuals or 46,570 have a median income below \$7,569. When tabulated for the 65,843 families in Jersey City (not considering unrelated individuals) the median income becomes \$9,310. In general, therefore, unrelated individuals have a lower median income than families.

The significance of the above figures becomes evident when considering existing housing costs in Jersey City as well as F.H.A. subsidized housing levels. Such income levels would indicate that an estimated 43,761 families or 66.4% of Jersey City's families

TABLE 1

GROSS RENT -- AS A PERCENTAGE OF INCOME
(By Income Group)

Specified Renter-Occupied Units	63,541
<u>Less Than \$5,000</u>	21,827
Less than 20%	1,022
20-24%	1,696
25-34%	1,396
35% or more	12,895
Not computed	1,819
Median	35.0
<u>\$5,000 to \$9,999</u>	23,185
Less than 20%	14,180
20-24%	5,041
25-34%	2,975
35% or more	538
Not computed	451
Median	18.2
<u>\$10,000 to \$14,999</u>	12,260
25% or more	159
Not computed	12.5
<u>\$15,000 or more</u>	6,269
25% or more	10
Not computed	95
Median	10.0

Source: 1970 Census

COMMUNITY BOUNDARIES



MAP

3

would be considered eligible (according to preliminary income levels) for some form of subsidized housing. However, as can be noted from Table 12 not only has Jersey City not produced anything near an adequate level of subsidized low-cost housing, but over 50% of the City's lowest income group (those making under \$5,000) must pay more than 35% of their annual income for housing of which the greatest percentage is not subsidized housing.³

Despite the decreased number of households within Jersey City during the past decade, the demand for housing has remained acute both in terms of supply and rental or carrying costs. Based upon 1970 Census data, it can be noted that the number of residents under 18 and those 65 and over have increased as a percent of the City's population. These figures represent a potential increase in the demand for housing units having a greater number of bedrooms for larger households as well as a potential increase in the need for housing units for the elderly (see Table 2). In addition, the Jersey City Housing Analysis prepared in 1970 estimated that over half a million renter households with annual incomes in excess of \$10,000 and well over a quarter million with incomes between \$7,000 and \$10,000, reside within a ten mile radius immediately outside Jersey City. A certain portion of this number should be regarded as representing a potential demand for housing in Jersey City. It is estimated that approximately two-thirds of these households could be accommodated in dwelling units containing two bedrooms, normally four or five rooms in total.⁴

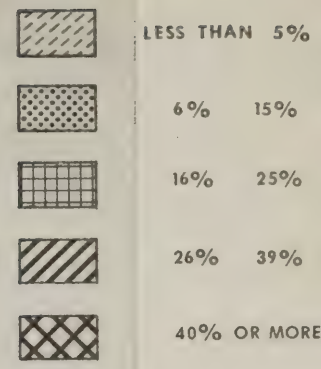
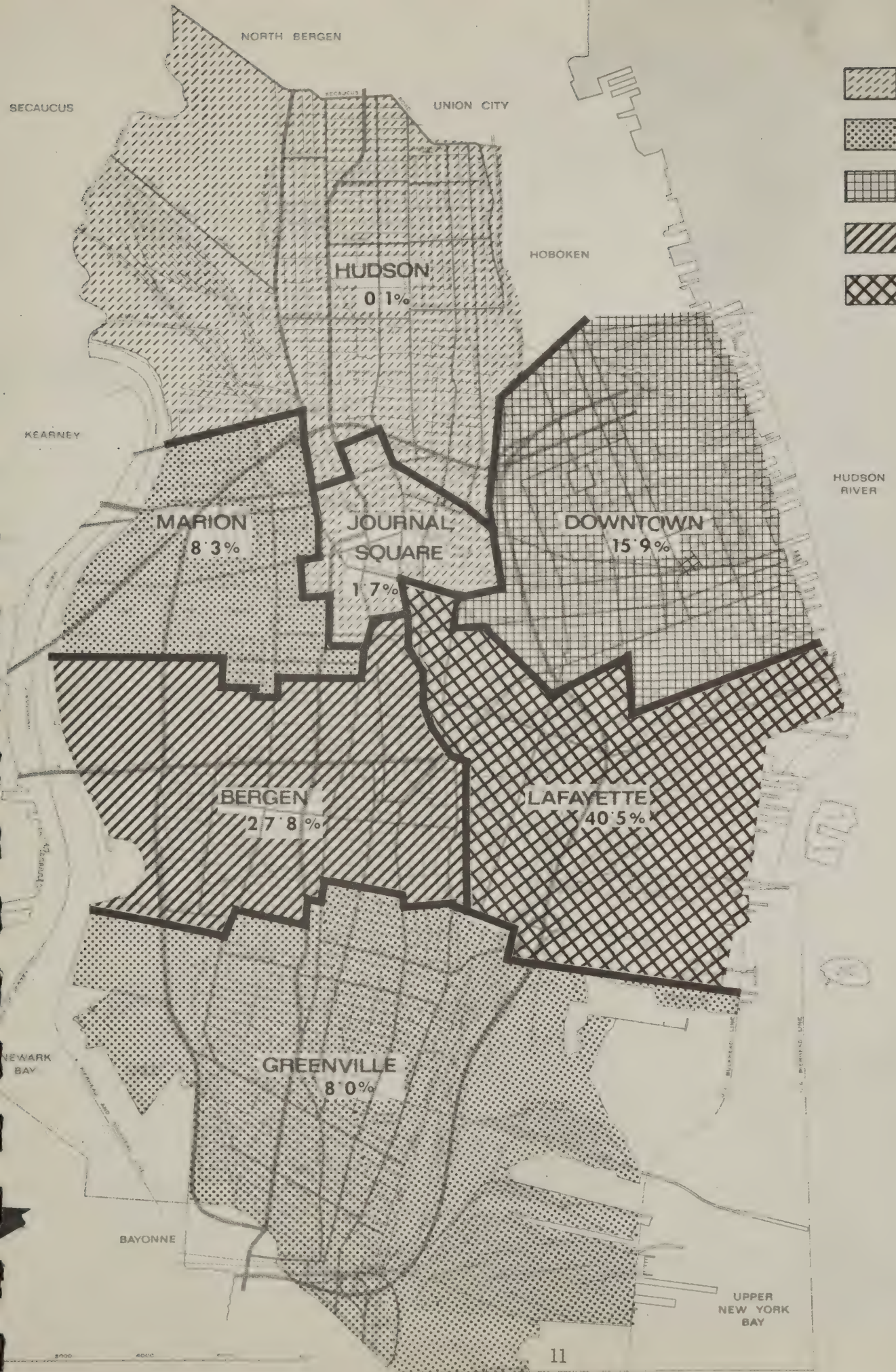
Since the 1960 Census, there have been marked changes in the social composition of the City. The white population has declined by 15% while the number of black residents has increased by 49%, (see Maps 4A & 4B). The black population in Jersey City rose from 13 percent in 1960 to 21 percent in 1970 -- the blacks becoming a majority in a number of the older areas of the City. Of the 157 census tracts comprising Hudson County, only nine tracts, all in Jersey City, had black majorities. Six of those nine were more than 75 percent black. In addition, 35 of Jersey City's 66 census tracts were more than 90 percent white. Jersey City's Puerto Rican population in 1970 was estimated at 6.3 percent, an increase of 116% from 1960. The composition of those comprising "other races" has also changed considerably from the 1960 figures, (see Table 3). Such figures serve to emphasize the fact that Jersey City is not only undergoing significant changes in the number and proportion of social groups within the City but that racial groups are becoming increasingly more heavily concentrated within specific areas of the City.

TABLE 2

CHANGES IN AGE BREAKDOWN BETWEEN
1960 and 1970

	<u>1970</u>		<u>1960</u>		<u>Change</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>#</u>	<u>%</u>
TOTAL	122,961	137,584	133,857	142,514	-10,896	- 8.1
Under 5	10,999	10,548	14,132	13,585	- 3,133	-22.1
5-9 years	11,661	11,063	11,900	11,464	- 239	- 2.0
10-14 years	11,742	11,048	11,029	11,123	+ 713	+ 6.4
15-19 years	10,543	11,611	8,916	9,506	+ 1,627	+18.2
20-24 years	9,598	11,668	7,760	8,932	+ 1,838	+23.6
25-34 years	15,114	16,120	17,526	18,010	- 2,412	-13.7
35-44 years	13,554	14,735	18,362	20,453	- 4,808	-26.1
45-54 years	15,011	17,663	17,331	18,781	- 2,320	-13.3
55-59 years	6,998	8,274	7,805	7,966	- 807	-10.3
60-64 years	6,022	7,072	6,580	7,478	- 558	- 8.4
65-74 years	7,859	10,892	9,007	10,537	- 1,148	+12.7
75 years & over	3,860	6,530	3,239	4,682	+ 621	+19.1
					+1,848	+39.4

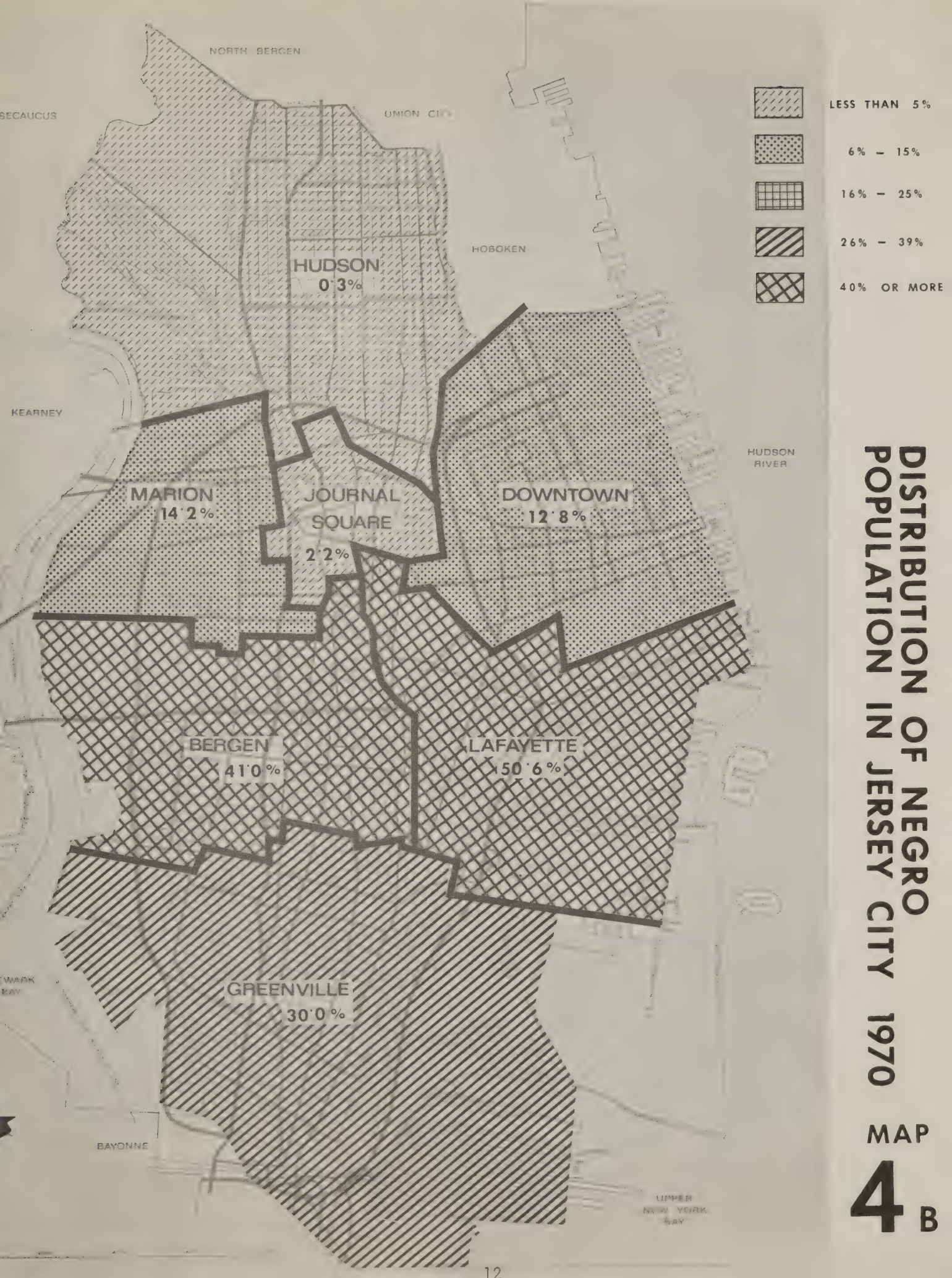
Source: 1960 and 1970 Census.



DISTRIBUTION OF NEGRO POPULATION IN JERSEY CITY 1960

MAP

4_A



**DISTRIBUTION OF NEGRO
POPULATION IN JERSEY CITY 1970**

**MAP
4_B**

TABLE 3
JERSEY CITY ETHNIC DISTRIBUTION
1960-1970

	<u>1960</u>		<u>1970</u>		<u>% Change</u>
	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>	
White	238,827	(86.5)	189,756	(72.8)	- 20.5
Non-White	37,274	(13.5)	54,595	(21.0)	+ 46.5
Puerto Rican	<u>7,427</u>	(2.7)	<u>16,194</u>	(6.2)	+116.0
TOTAL	276,101	(100.0)	260,545	(100.0)	- 5.6

Source: 1960 and 1970 U.S. Census

Note: Total figures refer to White and Non-White ethnic distribution. Puerto Rican distribution is included within the figures referring to White population.

Despite the fact that Jersey City has not to date delineated specific demand figures based upon population and household figures as estimated by the 1969 F.H.A. Housing Market Analysis, the City does consider such figures to be basic guidelines as to the number of subsidized and non-subsidized units which could be absorbed by the City. Since the F.H.A. estimates were developed for the total Housing Market Area, they were derived for Jersey City based upon the fact that Jersey City was estimated to possess at least 60% of the demand for housing within the total Jersey City Housing Market Area relying upon factors such as income levels, rental costs currently being paid, vacancy levels, and the proximity of Jersey City to the Metropolitan area. Table 4 presents the Housing Market Area demand and Table 5 the derived Jersey City housing demand estimates.

As can be observed from Tables 4 and 5, the F.H.A. Housing Market Analysis predicted an average annual demand for approximately 1,410 non-subsidized new housing units for the period from June, 1969 to June, 1971 for the City of Jersey City. The most desirable demand-supply balance in the market would be achieved if 90 units were supplied as single-family homes (priced above \$30,000) and 1,320 were units in multi-family structures (excluding public low-rent housing and rent supplement accommodations). The annual demand for subsidized units was estimated to be:

Subsidized Sale (F.H.A. Section 235)	1,020 units
Subsidized Rental (F.H.A. Section 236)	1,104 units
Rent Supplement and Public Housing	1,320 units
Total Annual Demand	<u>3,444 units</u>

As will be noted below, the City has not produced anywhere near the number of non-subsidized and subsidized units which are demanded and could be absorbed.

NATURE OF THE CITY'S HOUSING STOCK

Based upon 1970 Census of Housing data, Jersey City possesses a total of 91,997 housing units, an increase of 0.1% from the 1960 figure of 91,915 total housing units. Of the 91,997 housing units, 87,853 units (or 95%) are occupied. In addition, of the 91,997 housing units, 91,956 are considered to be year round housing units. See Table 6 for a complete statistical breakdown of 1970 housing data by community. The data which is provided is based upon the City's seven neighborhoods or communities as indicated in Map #3.

TABLE 4

ESTIMATED ONE YEAR OCCUPANCY POTENTIAL
Jersey City, New Jersey, Housing Market Area

A. Subsidized Sales Housing, Section 235

<u>Eligible Family Size</u>	<u>Number of Units</u>
Four persons or less	1,250
Five persons or more	<u>450</u>
	1,700

B. Privately-financed Subsidized Rental Housing

<u>Unit Size</u>	<u>Rent Supplement</u>		<u>Section 236</u>	
	<u>Families</u>	<u>Elderly</u>	<u>Families</u>	<u>Elderly</u>
Efficiency	10	815	-	150
One Bedroom	210	810	310	140
Two Bedrooms	450	-	650	-
Three Bedrooms	275	-	430	-
Four or more Bedrooms	<u>130</u>	<u>-</u>	<u>160</u>	<u>-</u>
TOTAL	1,075	1,125	1,550	290

All of the families eligible for Section 235 housing are also eligible for the Section 236 program, and about 60 percent are eligible for Section 221 (d) (3) BMIR* housing. The estimates are based upon exception income limits; the use of regular income limits may decrease these potentials somewhat.

Source: Estimated by F.H.A. 1969 Housing Market Analysis for the Jersey City Housing Market Area.

* BMIR - Below Market Interest Rate

TABLE 5

DERIVED JERSEY CITY OCCUPANCY POTENTIAL*

<u>TYPE OF HOUSING</u>	<u>ANNUALLY</u>	<u>TWO YEAR TOTAL</u> (for period between 1969 and 1971)
New Non-Subsidized Single Family Homes	90	180
New Non-Subsidized Multi-Family Structures	1,320	2,640
New Subsidized Sale Housing Section 235	1,020	2,040
New Subsidized Rental Housing Section 236	1,104	2,208
Rent Supplement Public Housing	<u>1,320</u>	<u>2,640</u>
TOTAL	4,854 units	9,708 units

* Based upon 1969 F.H.A. Housing Market Analysis

TABLE 6
1970 PLANNING DATA: HOUSING BY COMMUNITY

COMMUNITY	TOTAL HOUSING UNITS				UNITS LACKING SOME OR ALL PLUMBING				UNITS WITH 1.01 OR MORE PERSONS PER ROOM			
	<u>1970</u>	<u>1960</u>	<u>Change</u>	<u>%</u>	<u>1970</u>	<u>1960</u>	<u>Change</u>	<u>%</u>	<u>1970</u>	<u>1960</u>	<u>Change</u>	<u>%</u>
Jersey City	91,997	91,915	-82	-0.1	5,555	15,300	-9,745	-64	9,574	10,324	-750	-7
Hudson City	22,238	19,928	2310	+12	1,216	2,363	-1,147	-49	1,856	1,644	+212	+13
Marion	8,090	7,877	213	+27	250	517	-267	-52	1,056	924	+132	+14
Journal Square	6,602	6,824	-222	-3	342	1,312	-970	-74	432	468	-36	-8
Downtown	12,512	14,529	-2080	-14	2,126	6,027	-3,901	-64	1,858	2,518	-660	-26
Lafayette	5,069	5,941	-872	-15	259	1,317	-1,058	-80	767	970	-203	-21
Bergen	16,997	17,617	-620	-4	861	2,565	-1,704	-66	1,665	1,748	-83	-5
Greenville	20,489	19,199	+1290	+7	500	1,100	-699	-58	2,040	1,805	+235	+13

Source: 1970 Census of Housing



The F.H.A. Housing Market Analysis prepared for Jersey City in June, 1969 as well as the Jersey City Housing Analysis of 1970, characterized the City's housing stock in terms of a deficit rather than a surplus. The 1970 Housing Analysis noted that the City's housing supply is greatly lacking when measured against the existing need of residents and existing potential demand. In addition, the nature of the City's housing stock is a very old one -- the 1970 Housing Analysis estimated that, "of the approximately 75,900 dwellings which are estimated to fulfill a minimum standard with respect to building soundness or plumbing, almost two-thirds are at least fifty years old. In terms of structural design, appearance, land use arrangement or parking provisions, such units are frequently obsolete to a point that significantly affects marketability. This factor is believed to be one of several reasons accounting for the continuous decline in the number of Jersey City residents since 1930." 5

Density

In terms of density figures, the 1970 Census indicates a 7% decrease in the number of persons per room. Decreased densities, moreover, have occurred in the more highly deteriorated neighborhoods primarily because of the demolition and relocation program. At the same time, increased densities have occurred in the less deteriorated sections of the City, namely the Hudson City, Marion, and Greenville communities. See Table 6 for a breakdown of density figures by community.

The Condition of the City's Housing Stock

Of the 91,956 all year round housing units, 5,555 or 6.4% are lacking some or all plumbing facilities. This 6.4% figure represents a 64% decrease in the number of units lacking some or all plumbing facilities based upon the 1960 Census of Housing. However, the 64% decrease also represents units which have been demolished through urban renewal, code enforcement, or the Federal Demolition Grant Program or brought up to code standards during the past ten years. This figure, therefore, must be evaluated in light of the activities which have occurred within the past decade. It is not possible at the present time to fully delineate the current extent of building deterioration and dilapidation. The 1970 Census figure of 6.4% of Jersey City's housing units lacking some or all plumbing facilities does not adequately account for the number of sub-standard deteriorating structures in the City.

The most recent statistics characterizing building conditions in Jersey City are provided by the Blight Report prepared for Jersey City's Community Renewal Program in 1968. This study estimated that 31.30% of all structures were in fair or poor condition. See Table 7 for a complete presentation of building conditions as presented in the Blight Report.

TABLE 7

BUILDING CONDITIONS BY COMMUNITY

Condition	Bergen		Downtown		Greenville		Hudson City		Journal Square		Lafayette		Marion		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Fair	1,809	5.8	1,882	6.0	946	3.0	1,660	5.3	290	.9	880	2.8	377	1.2	7,844	25.0
Poor	304	1.0	796	2.5	145	0.5	283	0.9	70	.2	319	1.0	49	0.2	1,966	6.3
Total	2,113	6.8	1,678	8.5	1,091	3.5	1,943	6.2	360	1.1	1,199	3.8	426	1.4	9,810	31.3

Total Structures 31,372
 Total Structures in Fair and Poor Condition 9,819
 Percent Structures in Fair and Poor Condition $\frac{9,819}{31,372} = 31.30\%$

Source: Jersey City Blight Report (1968)

The State of New Jersey's Housing Element prepared in 1970 and entitled The Housing Crisis in New Jersey estimated that 37.85% of the housing units in Jersey City as of 1969 could be considered sub-standard. Since 1969 it is assumed that this percentage of 37.85% has increased to at least 39% by virtue of increased housing code violations and increased housing abandonment. For example, between 1969 and 1972 alone there has been an increase in abandoned units from 1,500 to 3,765 units. Such an increase would clearly indicate that the 37.85% figure for substandard units as determined by the State of New Jersey has increased to a minimum of 39% within the past three years.

In addition, the State of New Jersey within its Housing Element, based upon figures collected over the past decade estimated an annual deterioration rate of 2.7% for all housing units in Jersey City. The percentage was computed on a State-wide basis and then adjusted for urban areas. In the case of Jersey City the State estimated that 2.7% of all structures of the pre-1939 housing stock (62,354 units) can be expected to deteriorate annually. However, in contrast to the State's determination that the deterioration rate primarily effects the pre-1939 structures, the City of Jersey City based upon preliminary surveys, would estimate that the 2.7% deterioration rate should more accurately apply to the pre-1949 housing stock or 80,279 units. Therefore, it can be predicted that the 2.7% annual deterioration rate should apply to the 80,279 units resulting in the deterioration of approximately 2,168 units annually.⁶

The configuration of fair and poor structures, moreover, are heavily concentrated in the older areas of the City, the Downtown and Lafayette sections. In these same areas, a considerable degree of demolition has taken place within the last three years due to the City's Urban Renewal and Demolition Grant Program. Based upon figures dating back to 1968, it can be observed that demolition has principally occurred within the Lafayette, Downtown and Greenville communities. At the same time, however, very few new housing units have been constructed within this same period in the neighborhoods where extensive demolition occurred, although some limited rehabilitation has taken place. See Table 9 for a presentation of demolition activities in Jersey City since 1968. The overall effect on many square blocks within certain Jersey City communities is to present a picture of deterioration and decay which must now be redeveloped through a variety of efforts and approaches.

TABLE 8

HOUSING CONDITION SUMMARY

1960 CENSUS OF HOUSING

Standard Units	68,800
Substandard Units	<u>23,115</u> (25.1%)
Total Units	91,915
Standard Units Constructed Pre-1939	63,354
Standard Units Constructed Pre-1949	80,279
UNITS ADDED 1960 - 1970 (Building permits)	5,746
UNITS DEMOLISHED 1960-1970	3,172
ESTIMATED ANNUAL DETERIORATION RATE (State of New Jersey estimated percentage)	2.7%
Gross Additional Deteriorated Units 1960-1970	12,764
NET ADDITIONAL DETERIORATED UNITS (less demolition)	9,592
ABANDONED UNITS IN 1970	2,000
<u>HOUSING CONDITIONS IN 1970</u>	
Standard Units	56,117
Substandard Units	<u>35,879</u> (39.0%)
Total Units	91,997
Total Units (Year Round)	91,925
Net Change in Total Units	+ 2,574 (2.9%) ⁷



Housing Deterioration

As indicated above and within Table 8, the State of New Jersey has estimated a 2.7% annual deterioration rate for all older units, or an estimated 80,279 units constructed prior to 1949. The City of Jersey City, based upon the 1968 Blight Survey, the 1970 State of New Jersey Housing Element as well as figures furnished by the Jersey City Department of Building and Permits on housing code violations and abandonment statistics, has estimated that approximately 39% of the City's units are substandard. This percentage figure has seen a steady increase from the 1968 Blight Survey figure of 31.30%, to the State of New Jersey figure of 37.85% in 1970. During the past two years, however, the rate of deterioration has been such that demolition of substandard units and the rate of housing construction has not kept pace with increased deterioration, thus bringing the Jersey City estimate of substandard units to 39%. During the past two years, for example, there has been an increase in the number of abandoned units from 2,000 in 1970 to 3,765 at the end of 1972. During this same period, building permits for 1,081 new units were issued and 1,676 units were demolished. Clearly, therefore the City is minimally increasing its sound housing stock while drastically increasing its substandard stock. See Tables 7, 8, 9, and 14 for specific figures referred to above.⁸

Finally, in discussing the extent of housing deterioration it must be noted that in referring to 39% of the City's units as substandard, the conditions of such units can greatly vary in the degree of substandardness. For example, the 1968 Blight Study estimated 25% of the City's units to be in fair or deteriorated condition and 6.3% to be in poor or dilapidated condition.⁹ Assuming that such a ratio has remained constant or increased, the City of Jersey City has estimated that approximately 31.1% of all substandard units are deteriorated and 7.9% are dilapidated.

Cost of Units and Vacancy Levels

As can be noted from Table 10 the median value of owner-occupied, one family homes in Jersey City is \$16,400 or \$4,500 below the median value of owner-occupied homes in the Jersey City Housing Market Area (Hudson County). The median contract rent, excluding one family homes, is \$92 monthly, as compared to \$95 for the Jersey City Housing Market Area. In terms of housing demand, however, the provision of several thousand dwellings in the "under \$50" and \$160-\$199 monthly rent ranges appears to represent the greatest existing need and demand as is documented within Tables 11 and 11a.

TABLE 9

DEMOLITION ACTIVITY IN JERSEY CITY*

<u>Year</u>	<u>Structures</u>	<u>Units</u>
1968	134	510
1969	249	1,016
1970	188	667
1971	91	282
1972	<u>208</u>	<u>727</u>
Total	870	3,202

* Demolition activity refers to all structures demolished in Jersey City since 1968, including demolition related to Urban Renewal, Code Enforcement, and the Demolition Grant Program.

Of the above programs, 487 units were demolished through the City's Demolition Grant Program, and 772 units for urban renewal projects (almost entirely for the Henderson Street Urban Renewal Area).

Source: City of Jersey City, Superintendent of Buildings
Monthly Building Report

TABLE 9A

DEMOLITION AND NEW CONSTRUCTION ACTIVITY IN JERSEY CITY 1968-1972

NO. OF UNITS

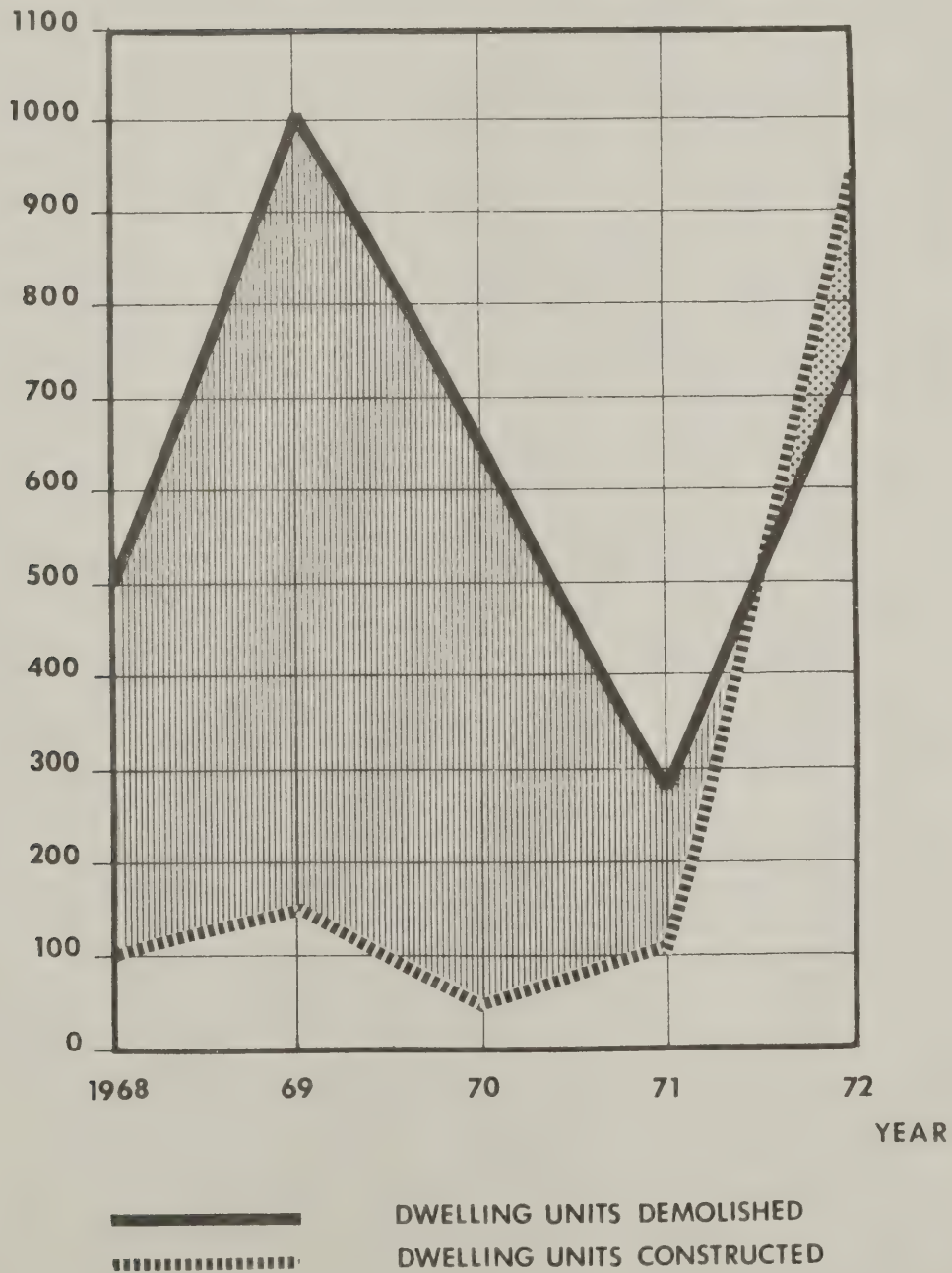




TABLE 10
HOUSING STATISTICS

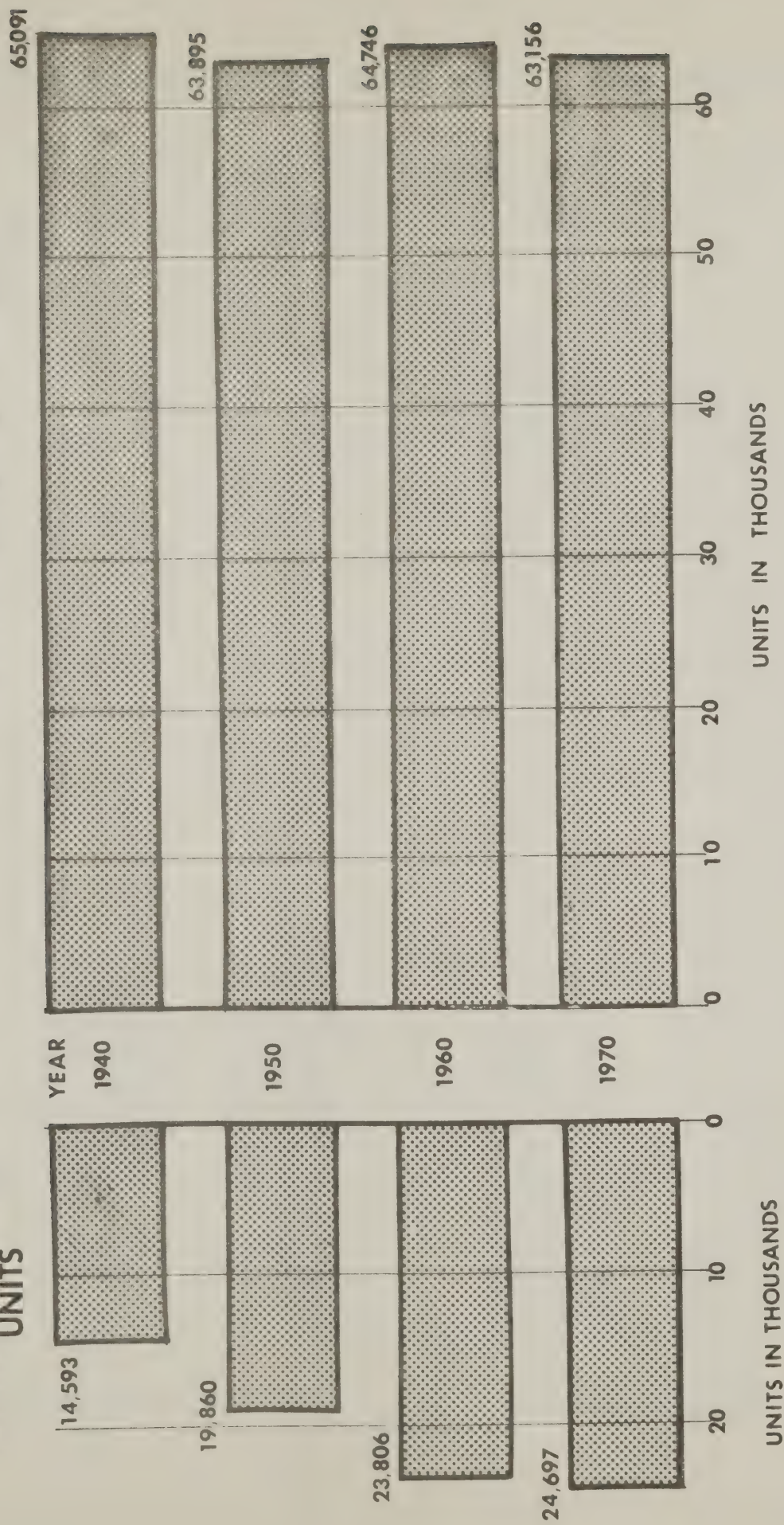
<u>TOTAL HOUSING UNITS</u>	91,977
Median number of rooms	4.3
Lacking some or all plumbing facilities	6.0%
<u>OCCUPIED HOUSING UNITS</u>	87,853
Owner occupied	28.1%
With negro head of household	17.6%
1.01 or more persons per room	10.9%
Median value of owner occupied (1 family house)	\$16,400
Median contract rent	\$ 92.00
<u>VACANCY RATE</u>	
Homeowners	0.8%
Rental	4.1%
Vacant year-round units	4,103
<u>FOR SALE ONLY</u>	202
Homeowners vacancy rate	0.8%
With all plumbing facilities	196
<u>FOR RENT</u>	2,719
Rental vacancy	4.1%
With all plumbing facilities	2,466
<u>RENTED OR SOLD AWAITING OCCUPANCY</u>	439
<u>HELD FOR OCCASIONAL USE</u>	114
<u>OTHER VACANT</u>	629
With all plumbing facilities	86,401
	(of 91,956 all year round housing units)
Lacking some or all plumbing	5,555
<u>PERSONS PER ROOM</u> (of 87,853 occupied units)	
Owner occupied	24,697
1.01 or more	2,167
Rental	63,156
1.01 or more	7,407

Source: 1970 Census of Housing

TABLE 10 A

OWNER OCCUPIED UNITS

RENTER OCCUPIED UNITS



OWNERSHIP CHARACTERISTICS
OF OCCUPIED HOUSING UNITS 1940 - 1970

TABLE 10 B

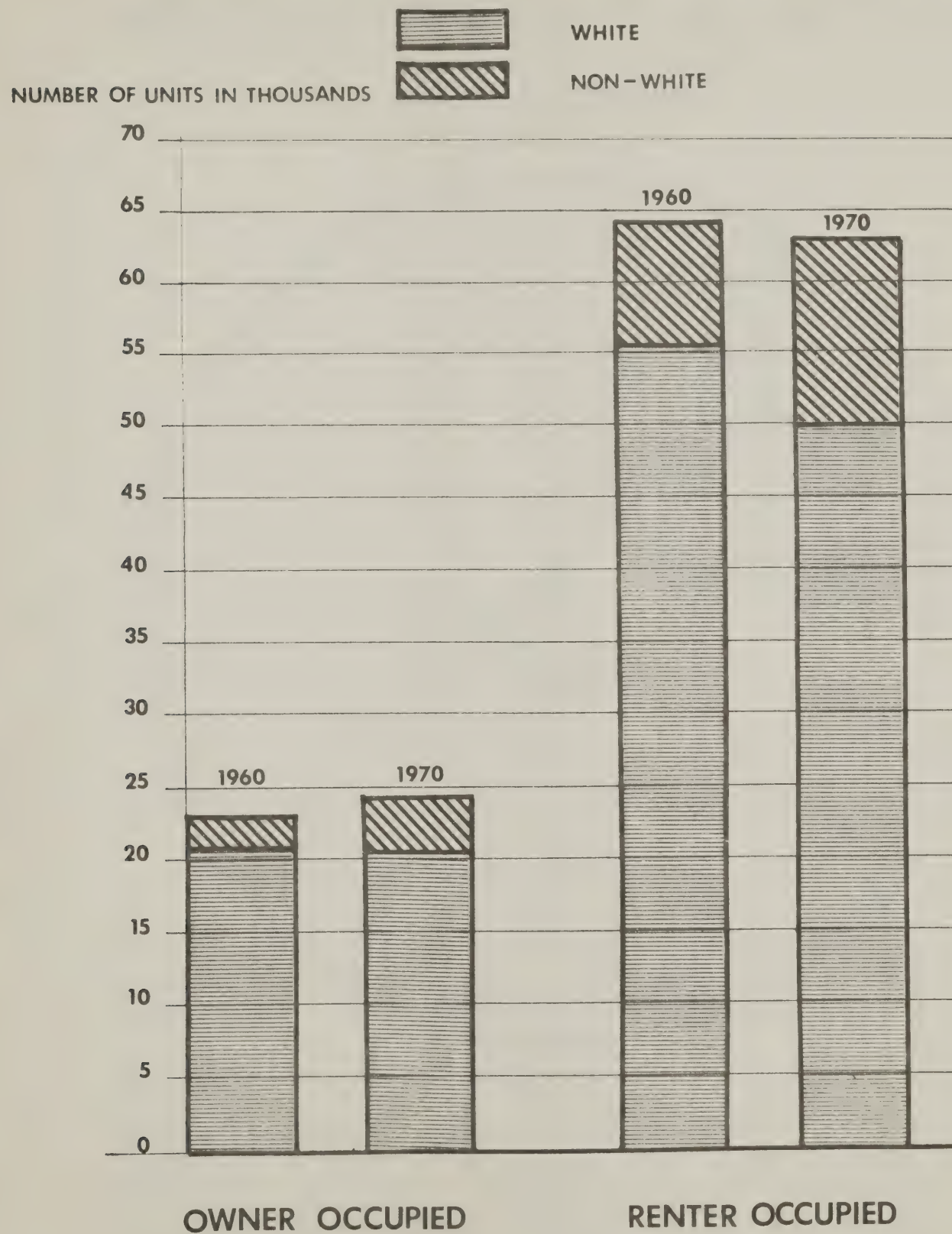
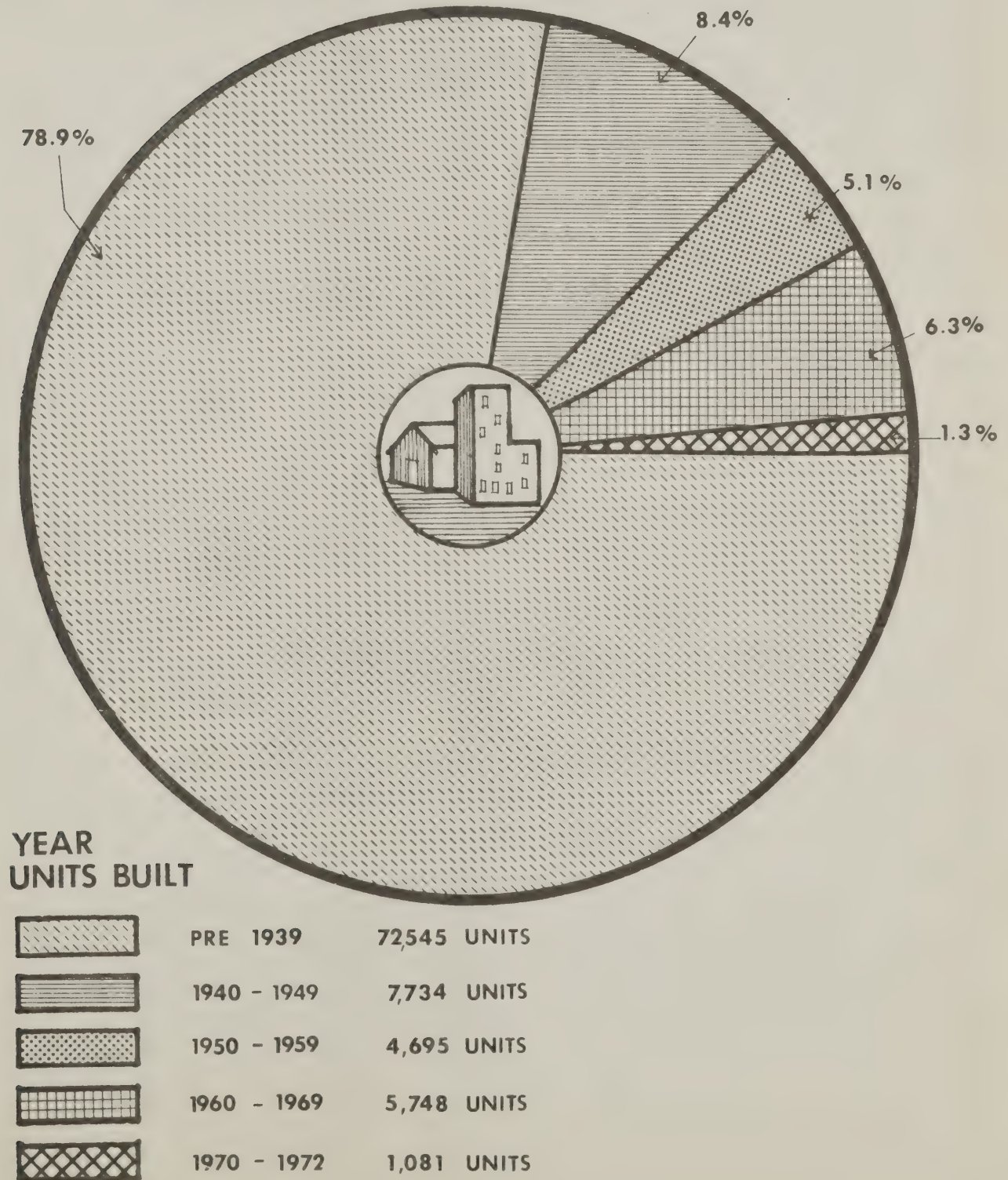
TENURE OF HOUSING UNITS IN JERSEY CITY

TABLE 10 C

AGE OF HOUSING STOCK IN JERSEY CITY

TOTAL UNITS 91,925



Such estimates are based upon figures derived from Tables 1 and 11 indicating that over 50% of those households earning less than \$5,000 annually, are paying over 35% of their annual income in rental costs. In addition, as is further presented in Table 1 and substantiated by the Jersey City Housing Analysis (Tables 11 and 11A) the provision of several thousand dwellings in the range of \$160-\$199 monthly appears to represent the second greatest existing need and demand. See Table 11 and 11A for a detailed breakdown of housing need based upon rental or carrying costs.

The problem of finding adequate housing units at costs consistent with household need and income levels is compounded by Jersey City's current vacancy rates of 0.8% for homeowner units and 4.1% for rental units. The above vacancy levels must be balanced against the number of vacant units in standard condition.

Housing for Low-and Moderate-Income Households

As has been substantially indicated within Part 1, Jersey City possesses an acute housing shortage especially for those households in the low-and moderate-income category (annual income under \$10,000). Based upon 1970 Census data there are 12,635 families (19.1% of all families in Jersey City) earning less than \$5,000 annually.¹⁰

The sources of adequate housing and housing assistance for such households are minimal not only in Jersey City, but nationally. Households in the low-and moderate-income category might potentially utilize the following sources for decent housing and housing services: (a) public housing, rent supplement, F.H.A. Section 235 or 236 housing programs; (b) utilization of standard housing (non-subsidized) on the open housing market. However, due to the current moratorium of all federal housing subsidies, all federal sources of housing assistance such as rent supplement, F.H.A. Sections 235 and 236, etc. can not be utilized at the present time.

Of the above two courses of action, the first, existing and available subsidized housing is presented in Table 12.

There are approximately 5,237 subsidized units in Jersey City, including those under F.H.A. Sections 235 and 236, rent supplement, 221-d-3, and public housing programs. Subsidized units currently represent one answer to meet the housing needs of low and moderate income residents in Jersey City. Considered against the estimated figure of 44,761 families potentially eligible for subsidized housing, however, it can readily be noted that only 5,237 households or 11.7% of all those families potentially eligible are being served by subsidized housing.

TABLE 11
HOUSING DEMAND/NEED VS. HOUSING SUPPLY
JERSEY CITY
1969

Housing Demand/Need		Housing Supply										Balance	Housing Surplus/Deficit Standard 50+ Year Old Units:	
Monthly Levels of Rent or Equivalent Carrying Charges for Sales Housing	Number of Households	Rental Units					Sales Units						Excluded	Included
		Total	Sound Without All Plumbing	Deteriorating	Sound Without All Plumbing	Standard - 50+ Year Old	Total	Sound Without All Plumbing	Deteriorating	Dilapidated	Standard - 50+ Year Old			
Under \$50	15,128 (3,995)* (809)**	4,681	1,317	968	280	1,207	-	-	-	-	-	909	-14,219	-13,012
50-79	5,903 (2,216)* (451)**	19,158	2,036	4,383	1,000	8,280	-	-	-	-	-	3,459	- 2,444	+ 5,836
80-99	11,676 (3,128)* (628)**	20,651	887	2,535	575	11,928	-	-	-	-	-	4,726	- 6,950	+ 4,978
100-119	12,917 (2,283)* (459)**	12,457	380	1,209	271	7,122	4,943	140	653	78	2,625	4,922	- 7,995	+ 1,752
120-159	16,614 (1,894)* (379)**	7,923	107	374	86	5,142	9,006	213	731	89	5,588	4,599	-12,015	- 1,285
160-199	19,725 (1,633)* (319)**	2,733	11	30	5	1,256	5,581	58	327	42	3,571	3,014	-16,711	-11,884
200+	2,642 (234)* (41)**	1,435	1	1	-	613	6,223	13	78	12	2,855	4,085	+ 1,443	+ 4,911
TOTAL	84,605 (15,383)* (3,086)**	69,038	4,739	9,500	2,217	35,548	25,753	424	1,789	221	14,639	25,714	-58,891	- 8,704

* Non-White heads

** Puerto Rican heads

SOURCE: 1970 Housing Analysis

TABLE 11A
CHANGES IN HOUSING DEMAND/NEED
 JERSEY CITY --- 1969-1980

<u>Monthly Levels of Rent or Equivalent Carrying Charges for Sales Housing</u>	<u>Number of Rooms Per Dwelling Unit</u>				<u>Total</u>
	<u>1</u>	<u>2&3</u>	<u>4&5</u>	<u>6+</u>	
\$ Under 50	- 5	- 131	- 195	+ 15	- 316
50-79	+ 3	- 34	- 118	+ 12	- 137
80-99	- 2	- 161	- 260	+ 23	- 400
100-119	- 9	+ 357	+ 247	+ 36	+ 631
120-159	-10	- 864	-1,018	- 19	-1,911
160-199	-14	- 336	- 568	+ 81	- 837
200+		- 46	- 80	+ 4	- 122
TOTAL	-37	-1,265	-1,992	+152	-3,092

SOURCE: 1970 Housing Analysis

Secondly, as is so well indicated the only recourse available for low and moderate income households is to obtain housing without any form of housing assistance from the open housing market. Only 5,237 households are able to take advantage of the former types of assistance. Those in the latter or non-assisted group (39,524) must find housing--the median rental cost of which is \$95.00 monthly or \$16,400 for owner-occupied one family homes in Jersey City.

The problem has been compounded by the fact that since 1968 a limited number of low-and-moderate income housing units have been developed. This figure includes 540 rehabilitated units through Sections 235 and 236; 227 Section 23 leased public housing units; and approximately 696 units of new construction under Section 236, for a total of approximately 1,463 units of low-and-moderate income housing developed between 1968 and 1973. At the same time, however, since 1968 Jersey City has demolished 3,202 units through urban renewal, code enforcement and demolition grant activity thereby effectively negating any increase in subsidized housing which the City will realize in the near future. Table 13 delineates the scope of proposed subsidized housing construction in Jersey City.

Public Housing

There are 9 public housing developments in Jersey City, containing a total of 3,856 units. Of this figure 201 or 5% are currently vacant. In addition, there are 227 units under the Housing Authority's leased public housing (Section 23) program. The inadequacy of the current number of public housing units is exhibited by the fact that over 2,000 families and senior citizens are registered on the Jersey City Housing Authority's waiting list for public housing. In addition, the 1969 F.H.A. Housing Analysis estimated the need for units at the public housing unit cost to be approximately 1,320 units annually. However, no public housing units have been developed within Jersey City during the past two years.

TABLE 12

EXISTING SUBSIDIZED HOUSING UNITS IN JERSEY CITY

PUBLIC HOUSING PROJECTS

<u>STRUCTURE</u>	<u>NO. OF UNITS</u>
1. Lafayette Gardens	490
2. Hudson Gardens	222
3. Marion Gardens	462
4. Booker T. Washington Gardens	234
Booker T. Washington Annex	40
5. Montgomery Gardens	462
6. A. Harry Moore Gardens	664
7. Curries Woods Gardens	712
8. Berry Gardens (Senior Citizens Housing)	286
Leased Housing -- Section 23	<u>227</u>
Total	4,085

LOW AND MODERATE INCOME

<u>SUBSIDIZED UNITS</u>	<u>NO. OF UNITS</u>
9. Gregory 3 (FHA 221-d-3)	200
10. Grand View Terrace (FHA 202)	284
(Senior Citizens Housing)	
Rehabilitated Units through FHA	
235 and 236	<u>668</u>
Total	1,152
Composite Total of All Subsidized Units	5,237

Note: Numbers in left hand column refer to accompanying Map #5-
Existing Subsidized Housing Units in Jersey City.



EXISTING SUBSIDIZED HOUSING UNITS IN JERSEY CITY

- PUBLIC HOUSING PROJECT
- ▲ LOW AND MODERATE INCOME SUBSIDIZED UNITS



CITY OF JERSEY CITY, N.J.
OFFICE OF THE MAYOR / DIVISION OF PLANNING

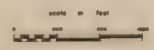




TABLE 13

PROPOSED SUBSIDIZED HOUSING UNITS IN JERSEY CITY

<u>Low and Moderate Income Structures Currently Under Construction</u>	<u>Number of Units</u>
1. Paulus Hook Tower (FHA Section 236) (Paulus Hook - NDP A-3) Estimated Completion Summer, 1973	308
2. Operation Breakthrough (St. John's Urban Renewal Area) Estimated Completion Summer, 1973	388*
3. Henderson Street Urban Renewal Area (Northern Parcel)	200
5. Ocean Tower (Senior Housing)	<u>100</u>
Total Under Construction	996 units
<u>Subsidized Developments Having Feasibility Commitments</u>	
3. Henderson Street Urban Renewal Area (Southern Parcel)	250
Grace Van Vorst Rehabilitation Downtown	73
6. Arlington Park, NDP Rehabilitation Portion	140
7. Jackson Avenue Urban Renewal Project Rehabilitation Portion	144
8. Catherine Court	<u>40</u>
Total	647

* Represents 80% of the total number of units (486).

TABLE 13 (continued)

Subsidized Developments in Final Planning Stages:

9.	St. Bridget's Gardens	464 ¹
1.	Paulus Hook N.D.P. Parcel #11	250 ¹
10.	Montgomery Street Urban Renewal Project	1,762 ^{1*} (3 Phases)
6.	Arlington Park N.D.P. New Construction	50*
7.	Jackson Avenue Urban Renewal Project New Construction	400*
	Lutheran Senior Housing	100 ¹
12.	Waterfront Housing (Initial Development)	2,500**
4.	Grove Street N.D.P.	<u>100</u>
Total		5,626 units

¹ Projects awaiting HUD and/or HFA approval; also affected by FHA housing moratorium.

* Definite Unit Count Pending

** This figure represents part of the total initial development of 5,000 units.

Note: Numbers in left hand column refer to accompanying Map #6 - Proposed Subsidized Housing Units in Jersey City. Those projects without numbers indicate scattered site or indefinite site plans.

PROPOSED SUBSIDIZED HOUSING UNITS IN JERSEY CITY



PROJECT AREA



LOW AND MODERATE INCOME STRUCTURES CURRENTLY UNDER CONSTRUCTION



SUBSIDIZED DEVELOPMENT HAVING FEASIBILITY COMMITMENT



SUBSIDIZED DEVELOPMENT IN FINAL PLANNING STAGE



CITY OF JERSEY CITY, N.J.
OFFICE OF THE MAYOR / DIVISION OF PLANNING

MAP

6

HOUSING CONSTRUCTION TRENDS

The high cost of land, labor and building materials to produce housing stands as a fundamental obstacle to housing development in Jersey City.

The 1949 Housing Act posited the dream of a "decent home and a suitable living environment for every American family." Some 20 years later the 1968 Housing Act called for a total of 26 million new housing units to be built over a 10 year period. This figure was based on roughly 13 million for new housing, 5 million to replace structures destroyed or removed, 16 million to cover the mobility of households, and the remaining 6.7 million for the repair or replacement of substandard units.

Ideally, this estimate involves the construction of 2.6 million units annually. Unfortunately, our record to date has hardly encouraged the fulfillment of such goals. By the end of 1971, based upon figures supplied within the 1971 HUD Statistical Yearbook only 2.1 million units (as compared to the original goal of 2.6 million units annually) had been constructed. Moreover, during fiscal year 1970 only 1.8 million units had been constructed. The complete breakdown of figures on actual and estimated production levels can be noted within Tables 15 and 16. In reviewing such figures especially those presented in Table 16, it is interesting to note that between the time of the first publication on National Housing Goals contained within the Douglas Commission Report--Building the American City prepared in 1968 and the Second Annual Report on National Housing Goals prepared in 1970 the original goals of 2.6 million units annually which had reflected housing need were substantially revised in view of the evident lag within the two-year period (1968-1970).

The lag in new construction is not surprising as costs for the construction and purchasing of houses skyrocket. The National Association of Manufacturers has stated that the costs of new housing (including land financing) have risen twice as fast as the average price index during the past 5 years. Construction wages were up 9.5 percent in the year ending March, 1970; housing construction costs, exclusive of land, rose 38 percent from 1961-68, according to HUD; building costs in the first quarter of 1970 showed a 9.2 percent increase over a 12 month period and have continued to rise. In addition, average land values in metropolitan areas have more than doubled between 1950 and 1965 and mortgage rates have doubled in the past 5 years. All of these factors have clearly placed new housing beyond the reach of many Americans.

As can be observed from Table 17, within the past decade the average union hourly wage rates for selected building trades has virtually doubled. Clearly, this is a direct indication of the reasons for the high cost of housing construction.

In Jersey City, these obstacles to housing development have had a direct affect on the limited level of new housing construction which has taken place during the last decade as noted within Tables 14 through 14C. Not only have high building and material costs served to limit new housing construction, but there has also been a significant decline in major housing renovations in Jersey City during the past decade.

As has been noted within Table 5, the F.H.A. Housing Market Analysis projected a two year demand of 2,820 non-subsidized housing units (180 single family homes and 2,640 multi-family units) for Jersey City during 1969 through 1971. The figures indicating the activity in new construction are indicated below in Table 14 and the accompanying graphs 14A and 14B.

As can be noted 1,227 new residential units have been constructed since 1969. The breakdown as presented in Table 14 indicates the relative predominance of two-family homes, rather than the construction of private one-family homes or multi-family dwellings. Moreover, Table 14 indicates the absence of concerted new residential construction in Jersey City as opposed to F.H.A. market potential. Finally, the general declining trend in overall construction during the past decade can be observed from both Tables 14A and 14B.

Since 1968 the major activity in extensive rehabilitation has been through F.H.A. rehabilitation financing programs and not on an individual homeowner basis. One might speculate how and if the figures in Table 18 (indicating F.H.A. financed rehabilitation) might be altered if rehabilitation financing programs existed for the individual homeowner.

Table 18 indicates that between 1968 and 1972 approximately 540 units in 53 structures have been rehabilitated through F.H.A. financing via Section 236. This figure of 53 structures represents 56.9% of all major rehab efforts (93 structures) in the City since 1969, as reflected in Table 19.

Table 19 also attempts to reflect the estimated overall costs of new construction and major rehabilitation between 1960 to 1972 and 1969 to 1972 respectively. As can be noted from the accompanying

profile on Tables 19B and 19C, new construction costs within the past 12 years remained relatively constant in the earlier part of the decade, dropped to a low of \$376,000 in 1970 and have risen to a high of \$16,680,325 in 1972. The high total construction cost of \$16 million in 1972 can be reflected by the construction of two major federal and state subsidized structures namely Paulus Hook Tower and Operation Breakthrough for a combined construction cost of \$24,867,000.

Federal programs, although partially successful, have clearly proven that the government cannot solve the housing problem by itself without a massive infusion of funding. Given the resources and talent presently available in the private sector, a greater commitment should be made by private industry to the needs of Americans for more and better housing. Without a major joint effort on the part of both the public and private sector, Jersey City will find itself slipping deeper into a greater housing deficit.



TABLE 14

NEW RESIDENTIAL CONSTRUCTION IN JERSEY CITY

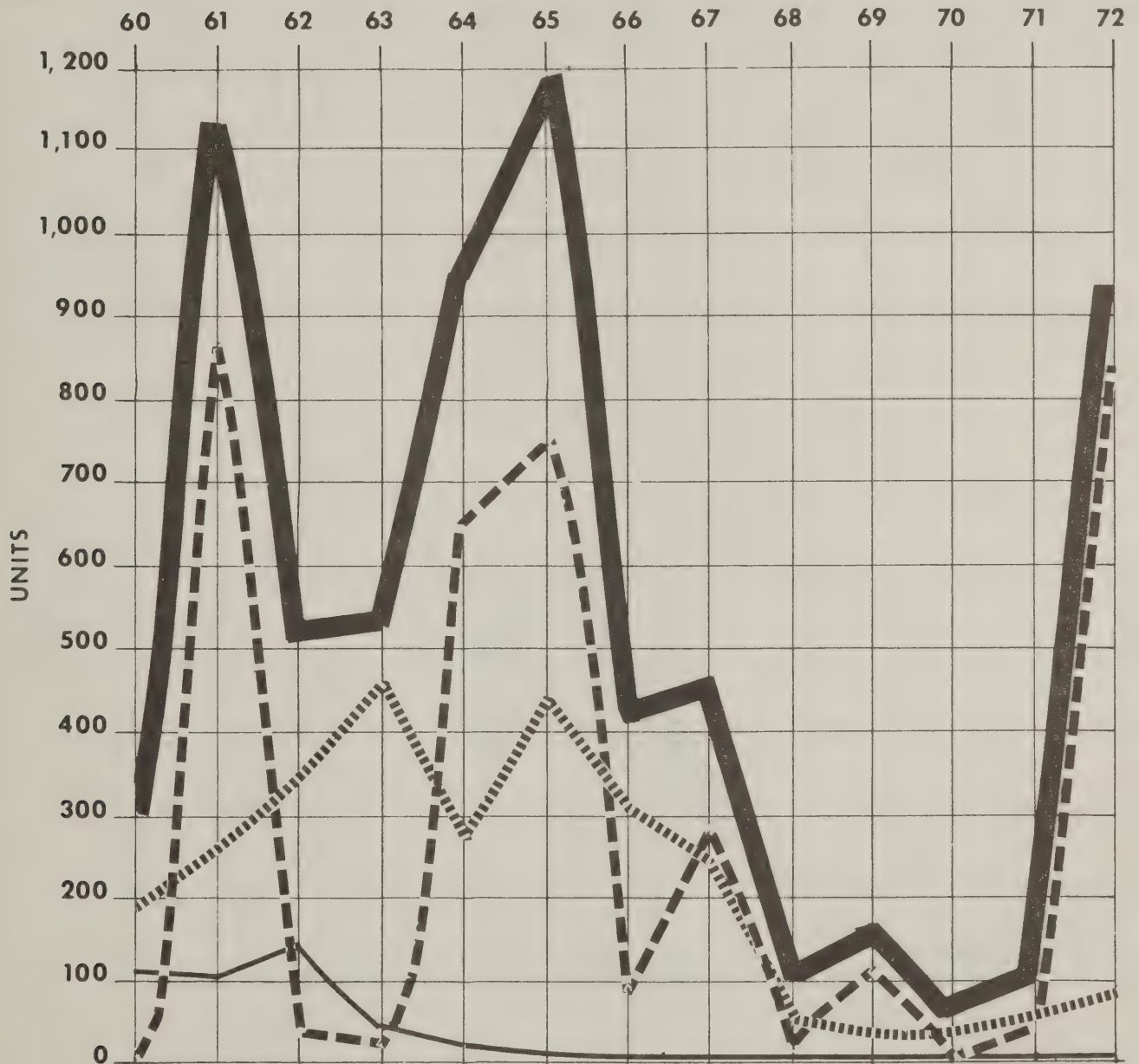
<u>YEAR</u>	<u>SINGLE FAMILY HOMES</u>		<u>TWO FAMILY HOMES</u>		<u>MULTI-FAMILY DEVELOPMENTS (3 or More Units)</u>		<u>TOTAL</u>	
	<u>Structures</u>	<u>Units</u>	<u>Structures</u>	<u>Units</u>	<u>Structures</u>	<u>Units</u>	<u>Structures</u>	<u>Units</u>
1960	111	186	93	186	1	9	205	306
1961	106	260	130	260	3	871	239	1,137
1962	135	346	173	346	4	32	312	513
1963	46	464	232	464	6	24	285	534
1964	38	274	137	274	11	648	186	960
1965	16	434	217	434	15	740	248	1,190
1966	9	302	151	302	6	96	166	407
1967	5	158	79	158	2	292	86	455
1968	1	60	30	60	3	39	34	100
1969	1	38	19	38	4	107	24	146
1970	2	32	16	32	0	0	18	34
1971	2	64	32	64	14	42	48	108
1972	1	96	48	96	14	842	64	939
TOTAL to								
1972	473	2,714	1,357	2,714	83	3,742	1,915	6,829
to 1970	470	2,554	1,277	2,554	55	2,858	1,803	5,782

TABLE 14 A

PROFILE OF NEW RESIDENTIAL CONSTRUCTION IN JERSEY CITY 1960-1972

(UNITS)

YEAR



- SINGLE FAMILY HOME
- TWO FAMILY HOMES
- - - - - MULT-FAMILY 3 OR MORE UNITS
- █ TOTAL UNITS

TABLE 14 B

PROFILE OF NEW RESIDENTIAL CONSTRUCTION IN JERSEY CITY 1960-1972

(STRUCTURES)

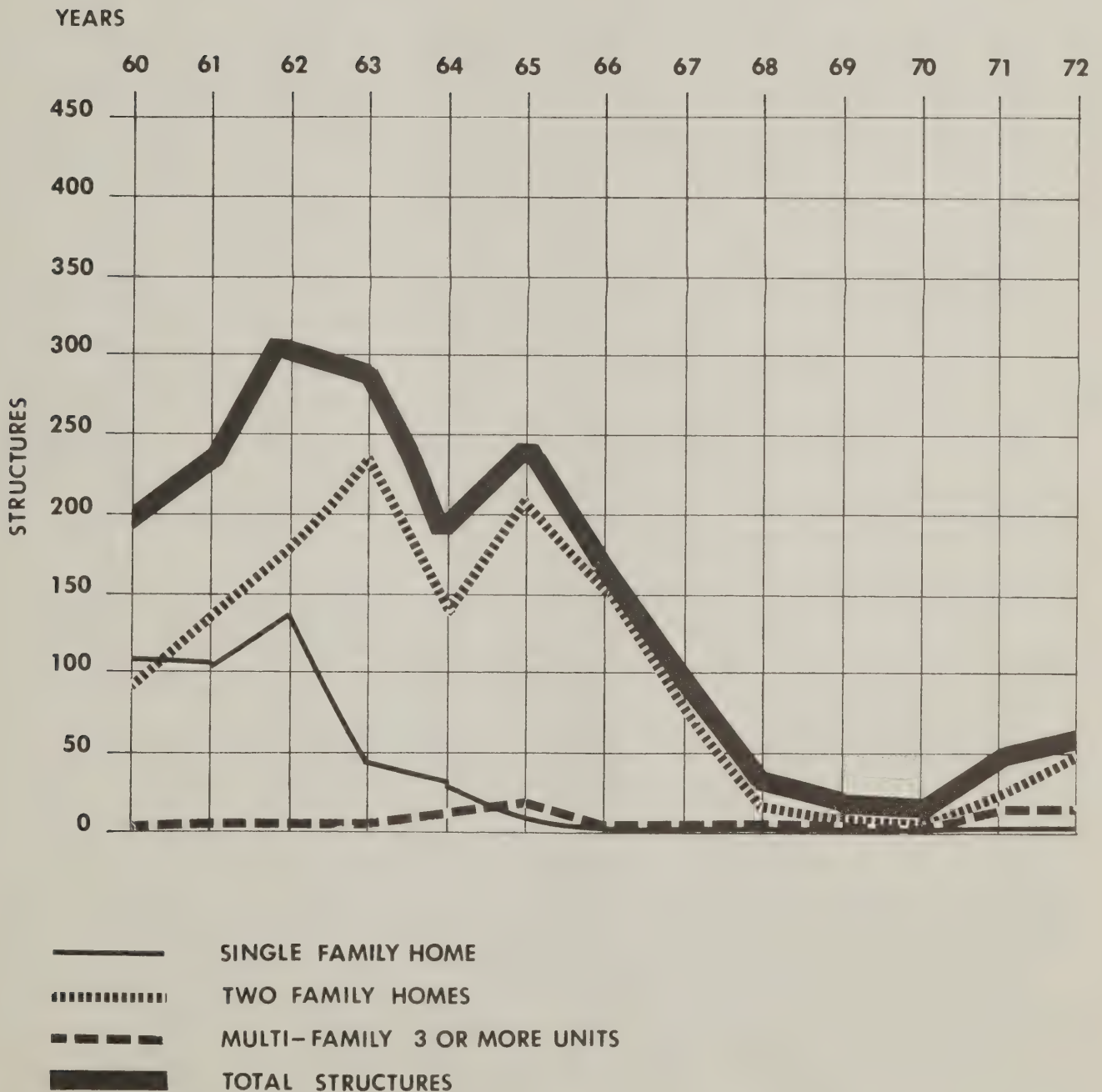


TABLE 15

HOUSING NEEDS: ESTIMATES FOR FISCAL YEARS 1969-1978
(Millions of Units)

Item	Number
For net additional household information	13.5
To permit an increase in vacant units	3.5
To compensate for demolitions, casualty, and other losses of non-dilapidated units other than mobile homes	2.0
To permit removal of all existing dilapidated units	1.8
To permit the removal of all units becoming dilapidated over the decade	3.5
To permit the replacement of mobile homes scrapped over the decade	1.2
Rehabilitations of non-dilapidated, substandard units:	
(a) Without subsidy	1.7
(b) With subsidy	1.0
Subtotals:	
(a) New units and nonsubsidized rehabilitations	27.2
(b) New units and subsidized rehabilitations	26.5
Total need, including publicly assisted rehabilitations	28.2

SOURCE: Message from the President of the United States, Second Annual Report on National Housing Goals, 1970

TABLE 16
HOUSING GOALS, FISCAL YEARS 1969-1978, AND ACTUAL OR ESTIMATED PRODUCTION,
FISCAL YEARS, 1969--1972
(Projections are in thousands and actual units are rounded to thousands)

Fiscal Year	Total Production	Subsidized Production			Unsubsidized Production		
		Total	New Starts	Rehabilitations	Total	New Starts	Mobile Homes
1969 Goal	2,001	198	155	43	1,803	1,440	363
Actual	1,997	192	163	29	1,806	1,437	369
1970 Goal	1,850	310	260	50	1,540	1,090	450
Actual	1,795	329	296	33	1,466	1,063	403
1971 Goal	2,040	505	445	60	1,535	1,060	475
Actual	2,274	480	439	41	1,894	1,359	435
1972 Goal	2,330	650	575	75	1,680	1,230	450
Estimated	2,862	438	398	40	2,424	1,868	556
1973	2,706	551	495	56	2,155	1,605	550
1974	2,930	730	600	130	2,200	1,800	400
1975	3,085	730	595	135	2,355	1,955	400
1976	3,060	730	595	135	2,330	1,980	350
1977	3,060	730	595	135	2,330	1,980	350
1978	2,994	722	585	137	2,272	1,960	312

SOURCE: 1971 HUD Statistical Yearbook

Table 17
Average Union Hourly Wage Rates for Selected Building Trades,
As of July 1, 1959 -- July 1, 1971

Year	Bricklayers	Carpenters	Electricians (inside wiremen)	Painters	Plasterers	Plumbers	Building Laborers
1959	\$4.04	\$3.63	\$3.81	\$3.40	\$3.88	\$3.89	\$2.67
1960	4.17	3.78	4.00	3.55	4.06	4.01	2.81
1961	4.34	3.94	4.16	3.68	4.14	4.18	2.98
1962	4.45	4.07	4.38	3.80	4.28	4.31	3.05
1963	4.59	4.23	4.53	3.97	4.38	4.49	3.16
1964	4.72	4.36	4.68	4.11	4.59	4.70	3.29
1965	4.87	4.57	4.80	4.28	4.72	4.89	3.43
1966	5.04	4.74	4.98	4.46	4.89	5.08	3.56
1967	5.28	5.01	5.24	4.71	5.11	5.36	3.74
1968	5.63	5.35	5.57	5.01	5.34	5.73	3.96
1969	6.06	5.77	6.12	5.38	5.75	6.22	4.33
1970	6.77	6.42	6.82	5.95	6.35	7.01	4.78
1971	7.60	7.02	7.76	6.51	7.08	7.82	5.31

SOURCE: Dept. of Labor, Bureau of Labor Statistics, Union Wages and Hours: Building Trades,
July 1, 1971, BLS Bulletin No. 1747.

TABLE 18
HOUSING REHABILITATION SPONSORS IN JERSEY CITY

<u>Sponsor</u>	<u>Address of Rehabilitated Units</u>	<u>Community or Area</u>	<u>Number of Units Rehabilitated</u>	<u>Status of Project</u>
Mount Pisgah Home Development (Non-Profit)	353 Bergen Ave.	Model Cities Area	25	Completed & Occupied
	425 Rose Ave.	Greenville	12	Completed & Occupied
	268 Forrest St.	Model Cities Area	6	Completed & Occupied
	81 Crescent Ave.	Model Cities Area	10	Completed & Occupied
	201-203-205-207 Woodward Street	Model Cities Area	38	Completed & Occupied
New Hope Baptist Homes (Non-Profit)	92-94; 123-125- 127-129 Summit Ave.	Model Cities Area	120	Completed & Occupied
	445 Bergen Ave.	Model Cities Area	24	Completed & Occupied
	500 Bergen Ave.	Model Cities Area	18	Completed & Occupied
	285 Arlington Ave.	Model Cities Area	30	Completed & Occupied

Sponsor	Address of Rehabilitated Units	Community or Area	Number of Units Rehabilitated	Status of Project
Grace Church Van Vorst Rehabilitation Foundation (Non- Profit)	564-566-568 Jersey Avenue 270; 272-282 Second Street	Downtown	44	Completed & Occupied
	Homes under Section 235	Greenville & Model Cities Area	20	Completed
	225-233 Third St. 237 Third Street 570-572 Jersey Ave. 306 Second Street	Downtown	73	Preliminary Feasibility Commitment
A. Simpson Contracting (Limited Dividend)	513 Jersey Avenue Scattered Section 235 Homes	Downtown Model Cities Area	8 21	Completed & Occupied Completed & Occupied
Railroad Avenue Corporation (Limited Dividend)	151-161 Railroad Ave.	Downtown	48	Completed & Occupied
Barrow Street Corp. Juan Ruth Apartments	297-299 Barrow St.	Downtown	22	Completed & Occupied

Sponsor	Address of Rehabilitated Units	Community or Area	Number of Units Rehabilitated	Status of Project
714 Ocean Ave. Corporation (Limited Dividend)	711-713-714-716 Ocean Avenue	Model Cities Area	50	Completed & Occupied
Van Horne Corp. (Limited Dividend)	219-223-225- 229-231-234 Van Horne Street	Model Cities Area	44	Completed & Occupied
TOTAL TOTAL				Completed & Occupied Preliminary Feasibility Commitment--N.B. This figure does not include units scheduled for rehabilitation within specified urban renewal areas.

TABLE 19

ESTIMATED OVERALL COSTS OF NEW CONSTRUCTION 1960-1972
AND MAJOR REHABILITATION -- 1969-1972
IN JERSEY CITY

<u>YEAR</u>	<u>NEW CONSTRUCTION</u>			<u>MAJOR REHABILITATION</u>		
	<u>STRUCTURES</u>	<u>UNITS</u>	<u>TOTAL COST</u>	<u>STRUCTURES</u>	<u>UNITS</u>	<u>TOTAL COST</u>
1960	205	306	\$3,313,250			
1961	239	1,137	9,323,000			
1962	312	513	5,344,000			
1963	285	534	6,458,000			
1964	185	960	7,742,000			
1965	248	1,190	9,584,000			
1966	166	407	4,202,000			
1967	86	455	3,619,000			
1968	34	100	899,000	NA	NA	NA
1969	24	146	808,000	1	NA	\$ 70,000
1970	18	34	376,000	15	NA	\$1,015,000
1971	48	108	1,007,000	32	NA	890,300
1972	<u>64</u>	<u>939</u>	<u>16,680,325</u>	<u>45</u>	<u>NA</u>	<u>344,850</u>
TOTAL	1,915	1,915	\$69,355,575	93	NA	\$2,320,150

Source: City of Jersey City -- Superintendent of Buildings

NA: Not Available

TABLE 19 A

COSTS OF NEW CONSTRUCTION IN JERSEY CITY 1960-1972

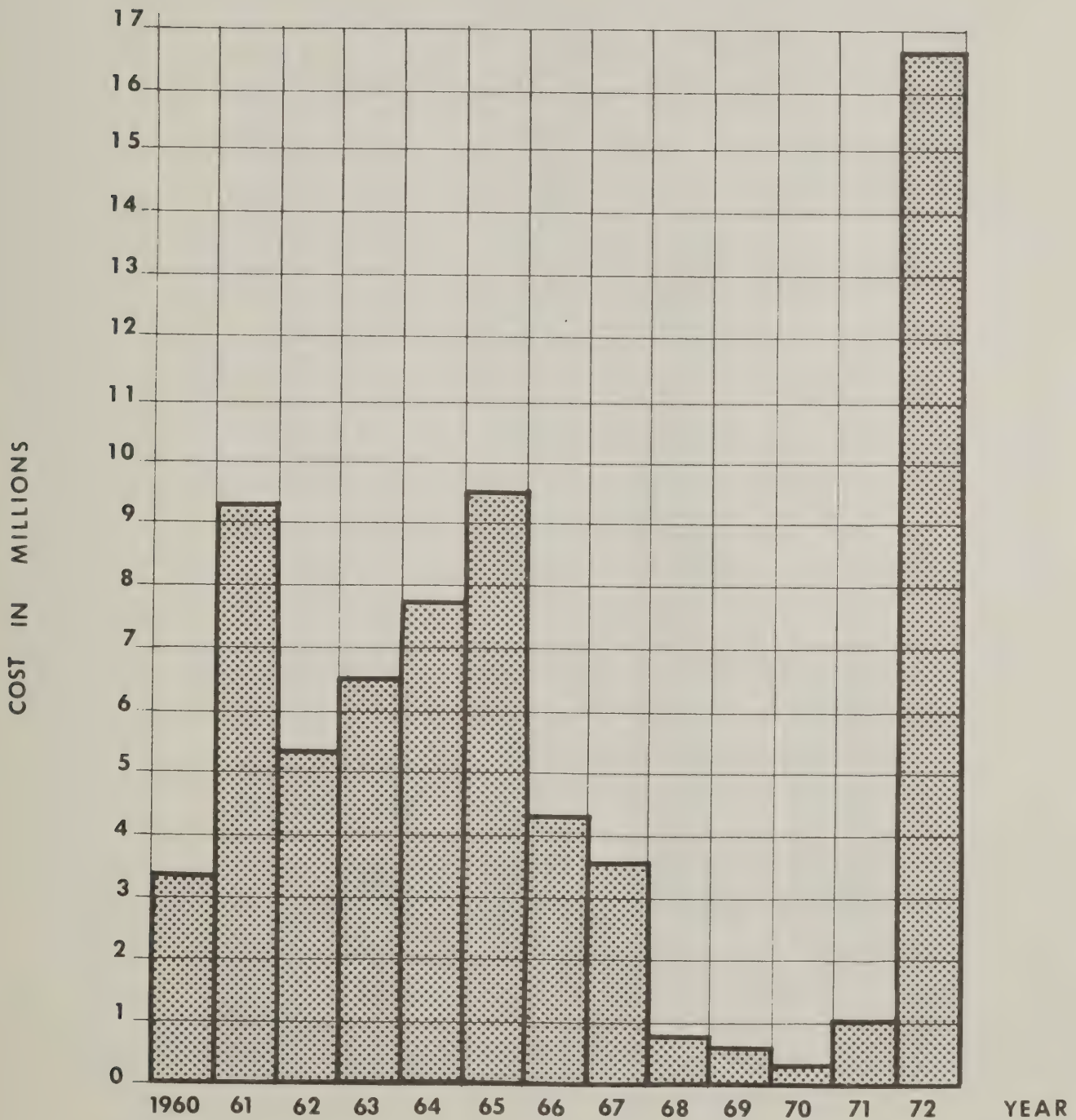
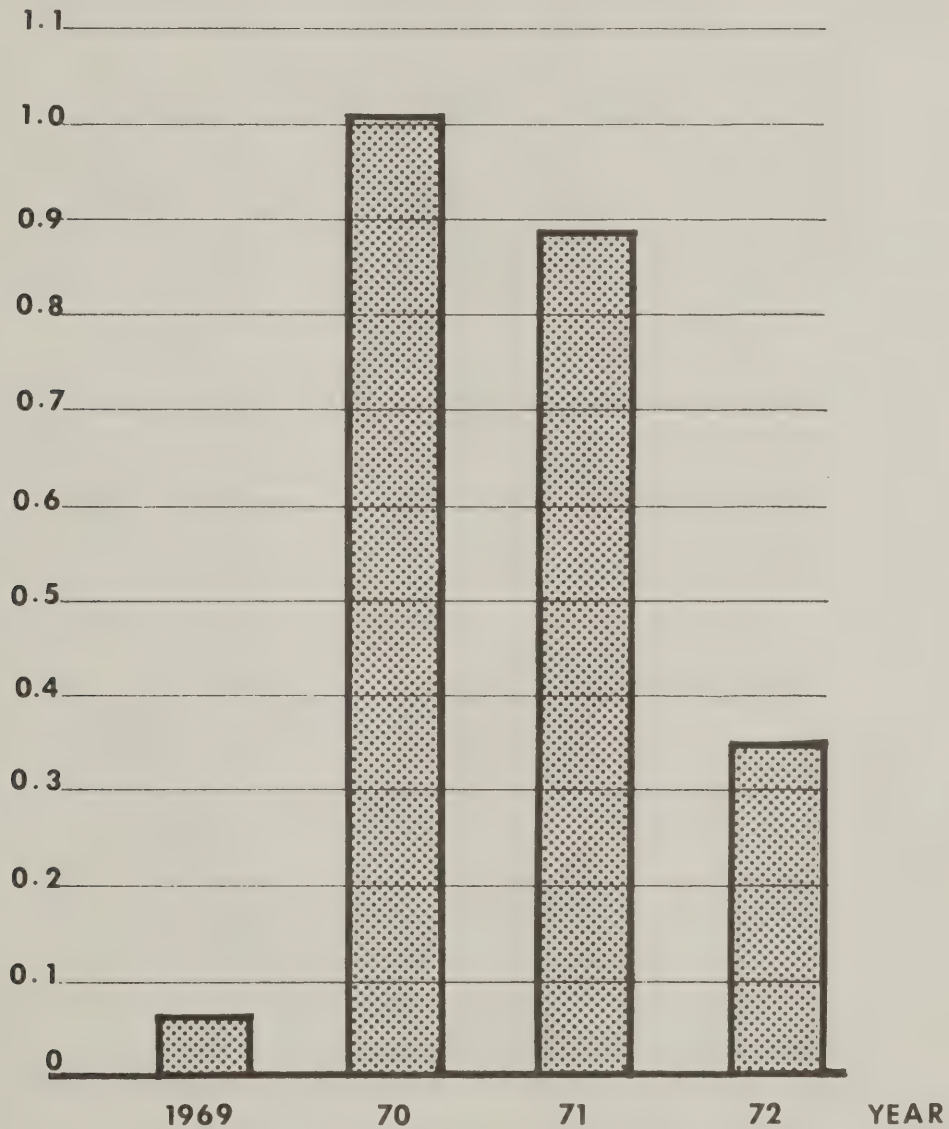


TABLE 19 B

COSTS OF MAJOR REHABILITATION IN JERSEY CITY 1969-1972

COST IN MILLIONS



AN INSUFFICIENT LEVEL OF FEDERAL, STATE AND MUNICIPAL FINANCING TO ADEQUATELY PRODUCE AND DEVELOP HOUSING IN JERSEY CITY

One of the fundamental obstacles in achieving a sufficient supply of housing to meet the needs and income levels of Jersey City's population is the lack of a sufficient level of state and federal funding. Coupled with this is Jersey City's own inadequate local financial resources to complement existing federal and state housing funds. The current supply and the cost of money presently affects the entire housing industry.

High mortgage interest rates and the scarcity of mortgage financing in Jersey City have had a direct impact on the cost, quantity, and condition of housing in the City. The high cost of borrowing money as well as the high down payment required for long-term conventional mortgages have blocked those without sufficient down payments from purchasing housing, even those who could afford the monthly payments.

The current F.H.A. attempts to deny mortgage guarantees in those areas of Jersey City having some dilapidated housing has thoroughly thwarted efforts in housing finance and rehabilitation. Without the availability of F.H.A. mortgage guarantees, critical areas of Jersey City have been virtually abandoned. In addition, the response of local Jersey City financial institutions to mortgage financing has been found highly inadequate. This aspect will be considered in more detail below.

Secondly and as important has been the inadequate level of federal and state funding for low-and moderate-income housing. Sponsors seeking to develop a Section 236 rehabilitation project in Jersey City must wait approximately 12 to 15 months from the submission of initial documents to mortgage financing. Between 1969 and 1971 an estimated 1,000 units received F.H.A. Section 236 below market interest rate subsidies in Jersey City while the need for such housing was estimated by the F.H.A. Housing Market Analysis to be approximately 2,000 units during the same two year period. In addition, whereas 200 units were developed through rent supplement subsidies in 1969 and 1970, the estimated need from the Housing Market Analysis amounted to 1,300 units annually.

The problem of developing adequate low-cost housing is presently compounded by the fact that the current moratorium and/or termination of F.H.A. below market interest rate subsidies, rent supplements, public housing funds, and other HUD housing and community development programs has virtually brought all low and moderate income housing and community development programs to an end or a standstill.



During the past few years the problem of the unavailability of mortgage financing has become increasingly evident in Jersey City. Recent purchasers of housing as well as owners of small business firms have contacted virtually every bank and savings and loan institution in Jersey City and have most frequently been denied mortgage financing. Without the availability of mortgage financing and the overall involvement and commitment of local financial institutions in Jersey City, no housing program can succeed.

A summary of mortgage lending, analyzed by a large Jersey City realty firm, showed that the nine major lending institutions had a total of published assets in 1971 of \$2,218,151,779. In 1970 they placed a total of 189 mortgages worth \$6,182,587 and 232 mortgages in 1971 for \$10,558,497. See Table 20 for a more complete breakdown. It is interesting to note that at the same time the lending institutions of Jersey City and Hudson County are unwilling to extensively grant mortgage financing in Jersey City, they are generally more willing to invest outside of Hudson County.

TABLE 20

SUMMARY OF MORTGAGE LENDING IN JERSEY CITY: 1970-1971
Mortgages over \$7,000.00

	Published Assets <u>1971</u>	<u>1970</u> Dollar Volume	<u>No. of Mtgs.</u>	<u>1971</u> Dollar Volume	<u>No. of Mtgs.</u>
Commercial Trust Co.	\$ 251,103,839	\$ 224,900	9	\$ 1,634,600	18
First Jersey National Bank	519,396,945	2,749,848	26	2,009,452	28
First Savings & Loan, J.C.	151,673,698	511,031	30	749,154	42
First State Bk., Hudson Co.	11,031,875	112,000	4	696,600	11
Garden State National Bank	412,995,000	none	0	107,724	5
Hudson City Savings Bank	291,732,666	361,600	27	1,394,900	48
Metropolitan Federal S. & L.	39,962,428	66,500	3	356,600	15
Provident Savings Bank	310,561,361	1,110,450	56	1,711,800	38
Trust Co. of New Jersey	<u>229,693,968</u>	<u>1,046,258</u>	<u>34</u>	<u>1,897,667</u>	<u>27</u>
TOTALS	\$2,218,151,779	\$6,182,587	189	\$10,558,497	232

Source: Sack's Realty Company

THE UNDER-UTILIZATION OF CITY-OWNED AND LIEN PROPERTY

The City of Jersey City currently possesses 1,000 parcels of vacant and improved property. In addition, an estimated 1,500 parcels are in the City's tax lien account.

By its very nature City-owned land is most frequently located in the more deteriorated sections of the City. In addition, there are many other reasons for the underutilization of City-owned parcels such as:

- a) Inadequate data gathering and analysis mechanisms.
- b) Inadequate packaging and publicity of City-owned land and public auctions.
- c) A lack of communication between those agencies responsible for the coordination of land sale procedures.
- d) An inability to package major parcels of City-owned land because of the extent of neighborhood deterioration.
- e) The absence of adequate financing mechanisms to assist those desiring to purchase City-owned property.

If adequately packaged and publicized, information regarding the City-owned land suitable for development could be more widely dispersed. Through an upgraded system, such land could be available to sponsors and developers.

The existing foreclosure statutes under which all municipalities in the State of New Jersey must operate, require that there be four complete years of unpaid back taxes before a City can gain title to a property. Such statutes have resulted in speculators and property owners in urban renewal or redevelopment areas being able to hold property for four years, although no property taxes were paid for that entire length of time. Redevelopment, therefore, is impeded by the existence of abandoned property and underutilized land (on which structures have usually been demolished) which cannot be acquired by the City for resale to a sponsor or developer until four years have elapsed. As indicated within Part III efforts are underway to decrease the four year period to two years.

THE LACK OF A CENTRALIZED HOUSING INFORMATION SERVICE

Housing information services in Jersey City are inadequate and uncoordinated. There is no one centralized location in the City which possesses relevant housing data. Nor is there one centralized location which gathers, analyses and disseminates relevant statistical



data on housing needs, problems and goals. This results in the City's inability to develop concrete estimates on the supply and demand for housing.

With the continuing emphasis on the need for statistical data, the involvement of community groups, non-profit and limited dividend sponsors in housing, and the interest by public and private agencies in housing issues and problems, it is imperative that the City of Jersey City coordinate, gather, analyze and disseminate all relevant housing data through one centralized service.

Secondly, there is no centralized bureau to analyze the variety of housing problems faced by various groups in Jersey City. At present, the Mayor's Action Bureau, various non-profit organizations and members of the Division of Planning receive citizens' complaints and problems on a variety of issues. However, because of the heavy burden of receiving complaints and attempting to channel such complaints to the proper City department, these groups do not possess the time or expertise to analyze the variety of problems related to housing and to formulate recommendations based upon citizens' housing problems. This task could be assumed by one centralized housing information service.

Finally, there is no computerization of housing data, nor is there a computerized land bank system for City-owned property. The absence of an EDP system for all housing and land statistics greatly impedes the City's efficiency and ability to gather, analyze, store and retrieve relevant housing data.

LACK OF COORDINATION BETWEEN ALL GROUPS CONCERNED WITH HOUSING PROBLEMS AND SERVICES

As is common in larger municipalities, there presently exists only limited coordination and communication between key City agencies dealing with housing programs, issues, needs and problems. Moreover, there is an inadequate level of communication between City agencies dealing with the housing and renewal program and citizens, sponsors, community and civic groups, federal and state housing agencies and private agencies.

The lack of coordination can be observed consistently between those City departments concerned with building, code enforcement and household maintenance, planning, urban renewal, relocation, land sales, and public housing. In addition, the proper City agencies are frequently uninformed of local activity with federal and state housing agencies. The City is not always informed of housing sponsors who have applied for housing funds and subsidies for a specific

area of Jersey City. The current lack of coordination and communication makes comprehensive planning for housing difficult and unwieldy.

The red tape, time lags, bureaucratic policies and extent of "actors" with which housing sponsors must deal at every level -- federal, state and municipal -- make the production of housing a most burdensome and time consuming process. Simplification of housing guidelines and processing techniques, on the federal and state levels, as well as the streamlining of the many municipal offices with which housing developers must deal, might begin to lessen some of the obstacles.

THE ABSENCE OF A MECHANISM OR GROUP TO DEVELOP HOUSING ON A LARGE SCALE

The efforts on the part of non-profit and limited dividend sponsors to develop low-and-moderate-income housing in Jersey City within the past two years has produced some significant and positive results, but no where near the extent of the existing need in Jersey City.

Such sponsors must not only deal with City, State and Federal agencies and guidelines, but must also grapple with the concrete problems of high land, labor and building material costs. The existing sponsors in Jersey City have been reluctant in the past to actively enter into housing development programs in the most highly deteriorated and blighted sections of the City. To do so, would mean that a sponsor would need to consider redeveloping several square blocks in order to produce a neighborhood impact. Secondly, the high crime rate in certain deteriorating areas has made sponsors and developers unwilling to consider housing development in such neighborhoods.

The City of Jersey City is still awaiting the effect of HUD's new site selection criteria and red-lining upon the feasibility of receiving FHA and HFA housing subsidies for such highly blighted areas.

However, the fact remains that the existence of square blocks of vacant and underutilized land plus abandoned structures produces a debilitating and hazardous effect upon the entire neighborhood where such conditions are permitted to exist. The fact that most existing housing sponsors in Jersey City have been unable to enter into some of these areas because of the financial resources necessary to resolve all of the existing housing, environmental, social and economic problems, makes it necessary to evaluate the current status and level of sponsorship and housing development in the City in an effort to

determine if alternative mechanisms might be developed. For these reasons the City of Jersey City shall be investigating the feasibility of establishing a Community Development Corporation as part of the City's 701 Comprehensive Planning Grant. (See Part III for specific information).

THE OBSTACLES OF ABSENTEE OWNERSHIP AND FORECLOSURE PROCEDURES

As George Sternlieb has so eruditely expressed it, the existence of a high degree of absentee ownership in an urban community coupled with a lack of financial return from absentee owned property, will usually result in an owner's milking his property to realize from it every last amount of financial benefit. Subsequently, the absentee owner will walk away from his building or sell it to a speculator who in turn will recreate the same cycle of events.

The final result, as can be witnessed in many cases in Jersey City, becomes the existence of blocks of abandoned absentee-owned (and eventually city-owned) structures. The period of absentee ownership produces many problematic obstacles for the City: management, structural maintenance, tenant selection, etc. Very often a structure might become totally abandoned, yet the owner continues to hold on to it or to pay small amounts of back taxes. Often, if an owner is continuing to hold on to his property, he is foreseeing the prospect of urban renewal.

When absentee owners, speculators, or realtors continue to hold property in areas of Jersey City partially City-owned, large scale redevelopment of such deteriorating areas becomes difficult to attain, outside of urban renewal funding. Sections of Jersey City especially in the Lafayette and Downtown neighborhoods, are partially City-owned and partially owned by a variety of absentee owners. Developers have often been reluctant to attempt to redevelop many of these square blocks, because of the extensive time consuming and financing process of attempting to acquire 13 separately owned lots from 13 different owners. In many cases, the majority of the 13 lots are in tax arrears, but the owner still has clear title to his property until he is delinquent in tax payments for a period of four full years. Short of eminent domain, areas such as those described above are difficult to redevelop given the many obstacles affecting heavily blighted areas. Since the power of property condemnation by a municipality is considered illegal except for a public use another obstacle is added to that of redeveloping deteriorating areas. It should be noted that after six months of non-payment of taxes, the City can put the property into receivership; however, the property income can only be applied toward payment of back taxes not toward any needed improvements. In addition, urban renewal condemnation often becomes meaningless since little if any federal funding is available for site improvements, including relocation, demolition, new sewer lines and streets, as well as mortgage financing and guarantees.

THE INADEQUACY OF CODE ENFORCEMENT PROCEDURES AND TECHNIQUES

The incidence of code violations within Jersey City continues to be one of the most pressing problems which faces the City. During the past twelve month period (January, 1972 through December, 1972) code inspection records reveal that 22,084 structures (58.1% of all structures in Jersey City) were found to be in violation of the housing codes. These structures represent a minimum of 24,987 units (27.2% of all units) found in violation. The unit count appears significantly low by virtue of the fact that only those units which could be entered and inspected comprise the 24,987 units found in violation as indicated in Table 21. Similarly, for the same period, 3,768 structures or 16.9% of all structures requiring compliance action were abated. However, this figure is also misleadingly low because all those units in violation not inspected by virtue of not being entered are not computed in the base figure of 25,542 units requiring compliance action. Based on records of the Jersey City Building Department, approximately 75% of the units in structures inspected are entered, the remaining 25% of the units are not inspected and therefore not tabulated for code compliance or non-compliance. See Table 21 for a complete presentation of code enforcement and compliance figures for 1972.

The problem of housing deterioration in Jersey City can be traced to several sources: a growing disinterest by the owner in his property, the concomitant failure to provide proper maintenance of buildings, plus a combination of poor home economics and abusive practices on the part of the tenant. Combining these problems with the inability of the City to provide both the property owner and his tenant with the services required to maintain a building, there then results the severe problems of obtaining code compliance which Jersey City now faces.

An additional obstacle to progress in the field of code compliance has been the excessively lenient stand held by the Municipal Housing Court. Undoubtedly, it is impossible to adhere to the adopted City ordinance in all cases regarding code enforcement. If the judges were to penalize a property owner for the stated \$200 per day per violation a landlord would walk away from his building. Unfortunately, leniency and attempts to understand the property owner's problems have proven unsuccessful in the past. The City has reached a point of, not diminishing returns, but rather negative returns.

Finally, the present system of filing reports on inspections and data records on the status of building as to whether they are in court, due for inspection, or have been condemned and are being demolished, is "one hideous conglomeration of manilla file folders." This system



leads to misplacement of files, since they may be located in any one of three offices, and very often causes uncalled for delays in the processing of action on certain buildings.

The most pressing need within the present system of housing inspection used by the Jersey City Division of Housing and Property Maintenance is that of coordination and systematization. Several years ago a program whereby certain sections of the City were to be inspected on a regular concentrated basis was developed. Upon completion of this area-wide inspection, the team would then move to a new district within the City. At the present time it would appear that this major effort at obtaining compliance has completely broken down. This is not due solely to a failure on the part of the Division to coordinate its efforts in this matter. Rather, it would appear that there is an overextension of personnel thus leading to an inability to obtain compliance in any one given section. Too often, housing code inspectors must attend to complaints of violations made directly to the Division. In most cases this is a necessary procedure since certain violations related to heating, water, etc., need and deserve immediate attention by the Division. However, by the same token, the Division should be organized in such a manner as to allow for emergency calls and still be able to perform the programmed inspections which are necessary.

Coordination and systematization of code enforcement procedures cannot and will not take place without an adequate number of persons employed to carry out the necessary inspections. It has been stated and on analysis by the Department of Buildings, there are not sufficient inspectors to carry out the scope of work required.

TABLE 21
HOUSING CODE INSPECTIONS DURING 1972

	<u>STRUCTURES</u>	<u>UNITS</u>
TOTAL CASES		
Inspected During 1972	12,879	36,767
Found in Non-Compliance During 1972	10,002	17,063
Total Cases Requiring Compliance Action During 1972	22,264	25,542
Brought into Compliance During 1972	3,587	11,918
Total Compliance Actions Completed (includes those brought into compliance during 1972 plus those razed or other- wise eliminated)	3,768	12,466
Total Cases Remaining in Non-Compliance at the end of 1972 (includes those inspected and found in non-compliance during 1972 plus all other non-compliance carryovers from prior inspections)	22,084	25,181
Total Cases Requiring Municipal Court Action in 1972 -- 299		

Source: City of Jersey City, Superintendent of Buildings
Monthly Code Enforcement Summary Sheet

THE UNAVAILABILITY OF PROGRAMS AND INCENTIVES TO INDUCE HOUSING DEVELOPMENT AND NEIGHBORHOOD MAINTENANCE

There would seem to be a limited availability of Federal, State and local programs -- including financial incentives -- to aid in the development and rehabilitation of housing and code compliance. For example, only residents within the boundaries of a Federal Area Code Enforcement Program or an Urban Renewal Area are eligible for Section 312 and 115 grants and loans. There are no other financial incentives to induce property owners to maintain or increase code compliance. At the same time because of the moratorium on housing funds, the Section 312 and 115 grants and loans have been terminated except for the code enforcement funds already committed to certain urban renewal areas in Jersey City.

If a low or moderate-income individual is eligible for the Section 235 homeownership program, he will receive credit counseling. However, the extent of Jersey City's home management, maintenance and credit counseling services for all other residents is non-existent except for the recently developed Model Cities Housing Service and Information Center.

In addition, the limited financial resources of Jersey City make it unable at the present time to set up revolving loan programs, or similar incentives, for housing rehabilitation and development.



PUBLIC HOUSING

In the past, the inflexibility of HUD's site design standards and rigid per unit construction costs for public housing resulted in the construction of high or medium-rise multi-family rental structures. Because of income limitations, the City's nine public housing developments were tenanted by low-income individuals and large families, many of whom have other social, economic or employment difficulties. Although HUD's Section 23 and Turnkey III and IV programs permit greater flexibility, the City of Jersey City controls 3,858 public housing units in traditional "project type" developments as well as 227 leased housing (Section 23) units, but has for various reasons made little or no use of the more innovative programs (See Table 12). Of the total number of public housing units (4,085), an estimated 5% are vacant, primarily in the Marion Gardens development.

The nine public housing developments in Jersey City are effected by the many management, maintenance, environmental, sociological and financial factors known to influence public housing developments. All of these major problem areas must be dealt with if the City is to assume a concerted effort at upgrading the City's housing projects. In addition, the essential factors of housing services and adequate social, medical, recreational and transportation amenities must be considered for existing and potential developments.

The HUD Management Study of the Jersey City Housing Authority, completed in December, 1972 following 3 months of study, attempted to delineate the major problem areas of the Jersey City Housing Authority. Among significant findings were the following:

- a. Project property is deteriorating and major deficiencies exist in management and property maintenance.
- b. There is an enormous backlog of maintenance jobs within the City's projects.
- c. Tenant complaints are not given proper consideration.
- d. The Authority's staff is insensitive to tenants, do not identify with them and do not give them "the attention they deserve."
- e. The Authority has refused to justify questionable items in its leased housing and conventional programs.
- f. Procurement and contract practices are "questionable."

- g. Personnel practices need an overhaul.
- h. There are security problems in most of the housing developments.

THE INADEQUATE PROVISION OF NECESSARY RELATED SERVICES IN HOUSING DEVELOPMENT PROGRAMS

It is an undisputed fact that housing development programs cannot be considered in a vacuum. In the past in Jersey City, many such housing developments have not taken into full account the provision of all necessary services related to housing, namely: water and sewerage, recreational, social, transportation, educational, environmental and commercial facilities and services. Several of the City's public housing developments have inadequate transportation and commercial and retail facilities. Other housing developments are poorly located in relation to the City's recreational and social service facilities.

RELOCATION

A major relocation problem which the City of Jersey City faces is that residents in either urban renewal or code enforcement areas do not like to move very far from their current homes. Thus, the first reason relocation is a problem is the shortage of standard low and moderate income housing in the area surrounding the City's urban renewal areas. Consequently when the City attempts to relocate people into standard housing, it may not be close to where they had been living, which occasions resistance on their part.

The second problem which arises is the desirability of the City to be able to phase acquisition, demolition and site development, with the bureaucratic requirements and budgetary constraints that either prevent this or make it difficult to carry out.

The third problem involves both home owner and renter-occupants who must be displaced in urban renewal areas. There are many who would want to move to a nearby desirable neighborhood, and who can afford to buy or rent a home there because they have the equity and/or income to do so. Unfortunately several of these areas that could have been maintained as viable homeowner or renter areas by a Federally Assisted Code Enforcement Program are not because of the lack of funds for this program. Consequently, potentially desirable homeowner and renter neighborhoods become deteriorated. In addition, relocation resources, given the low vacancy rate in Jersey City, are virtually non-existent.

A fourth problem involves relocating small retail businesses from urban renewal areas which is difficult for two reasons:

- a. Many of these businesses are financially marginal and they require low rental that are only found in substandard areas.
- b. Surrounding areas that could provide retail space are themselves in many cases so deteriorated and blighted that they are not structurally satisfactory for relocation, although the rentals might be favorable.

Finally, the high cost for relocating individuals and businesses required by both the Federal Uniform Relocation Act and State of New Jersey enabling legislation adds to the complexity of the relocation problem, since necessary funding is limited.

THE PROPERTY TAX SYSTEM

In the period from 1970 through 1972 the property tax rate in Jersey City rose each year. In 1970 the tax rate was \$7.96 at an equalization rate of 94.17%. In 1971 the tax rate was \$8.16 at 90.10% and in 1972 \$9.02 at 84.04%. The current tax rate of \$8.02 at an equalization rate of 79.03% represents a marked decrease over the previous several years. Current homeowners in Jersey City are being driven to seek alternative areas for homeownership outside of Jersey City. Not only are the City's current homeowners being forced out of the City, but low and moderate income residents who might be eligible for homeownership under F.H.A. Section 235 are often reluctant to assume a monthly carrying charge.

Finally, State of New Jersey statutes do not permit incentives for housing rehabilitation. For example, there is no enabling legislation within the State of New Jersey which currently permits homeowners (following rehabilitation) to receive a tax incentive in the form of a limited tax increase or no property tax increase. Not only are there no incentives permitting owners to not pay increased taxes (based upon a renovation reassessment) for a specific period of time, but homeowners are penalized by reassessments following renovation. This can be considered a major deterrent to home-improvement and home-ownership. In addition, because a home owner is reassessed at the completion of renovation, most homeowners would prefer to sell their homes (without improvement) in Jersey City and become a homeowner in another area having a lower property tax rate.

The recommendations from the New Jersey Tax Policy Committee would have made major inroads in reordering the property tax system for the State of New Jersey. The Committee's recommendations would have had a major impact upon the State's urban areas, such as Jersey City, Newark, Paterson, and Camden. Alternative revenue producing new tax programs must be sought.

COMPARATIVE TAX RATES FOR SELECTED MUNICIPALITIES

1950 - 1973

	1950		1960		1970		1971		1972		1973	
	Tax Rate	E.R. ¹	Tax Rate	E.R. ¹	Tax Rate	E.R. ¹	Tax Rate	E.R. ¹	Tax Rate	E.R. ¹	Tax Rate	E.R. ¹
Bayonne	\$6.97	N/A	\$ 9.04	49.0%	\$4.60	99.3%	\$5.58	86.5%	\$ 6.19	83.2%	\$ 6.56	77.3%
Hoboken	\$7.22	N/A	\$10.93	67.2%	\$8.40	106.1%	\$9.01	94.2%	\$10.44	85.4%	\$10.29	80.0%
Jersey City	\$7.32	N/A	\$ 9.82	59.6%	\$7.96	94.2%	\$8.16	90.1%	\$ 9.02	84.0%	\$ 8.02	79.0%
Newark	\$6.84	N/A	\$10.25	48.2%	\$8.44	81.0%	\$9.19	80.5%	\$ 9.63	78.3%	N/A	N/A
New Brunswick	\$6.13	N/A	\$ 7.46	30.1%	\$7.84	46.0%	\$8.46	38.9%	\$ 8.70	41.4%	\$ 3.53	97.5%
New York City (Manhattan)	\$3.22	N/A	\$ 4.22	90.0%	\$5.90	77.0%	\$6.00	74.0%	\$ 6.51	69.0%	\$ 6.90	N/A
Tenafly	\$5.95	N/A	\$ 9.52	22.5%	\$3.26	97.9%	\$3.80	90.8%	\$ 4.15	82.6%	\$ 4.45	78.1%

¹ E.R. = Equalization Ratio -- This is the ratio of assessed value to true value of real property in a particular municipality. This ratio is determined by the county board of taxation for equalizing the total assessed value of real property in each municipality in order to apportion the county tax levy among the various municipalities.



PART II

POLICY OBJECTIVES

PART II

POLICY OBJECTIVES

This section of the Housing Analysis presents a series of policy objectives for developing and achieving basic housing guidelines and strategies. Many of the policy objectives are not new. Some have existed or have been applied in various other housing programs; others will require a significant infusion of legislation and funding as well as technical and administrative assistance on the local, state and federal levels.

A. HOUSING SUPPLY

The City's persistently low vacancy rate, increasingly high land and construction costs, and the need for a variety of housing types at costs consistent with the income levels of Jersey City residents, require unique policy objectives on the part of the City. The following objectives, therefore, have been designed to achieve comprehensive planning and development in the field of housing and total community development.

1. INCREASE THE SUPPLY OF HOUSING TYPES FOR THE VARIETY OF INCOME LEVELS IN JERSEY CITY.
2. INCORPORATE LOW-AND-MODERATE INCOME LEVEL HOUSING INTO THE OVERALL JERSEY CITY HOUSING MARKET THROUGH THE USE OF SUCH PROGRAMS AS SCATTERED SITE DEVELOPMENT, LEASING AND RENT SUPPLEMENTS.
3. CONSTRUCT A COORDINATED PLAN FOR HOUSING DEVELOPMENT WITHIN THE CITY OF JERSEY CITY WITH SPECIAL ATTENTION TO AREAS HAVING SIGNIFICANT AMOUNTS OF CITY-OWNED PROPERTY.
4. ENCOURAGE THE DEVELOPMENT OF VARIED DENSITY MULTI-INCOME RESIDENCES CONVENIENT TO CONCENTRATIONS OF ECONOMIC ACTIVITY, TRANSPORTATION, ETC., ESPECIALLY AS PERTAINS TO THE WATERFRONT.
5. DEVELOP HOUSING DEMONSTRATION PROGRAMS IN JERSEY CITY WHICH ARE ADEQUATELY FUNDED (I.E. HOUSING MANAGEMENT AND MAINTENANCE, A HOUSING ALLOWANCE PROGRAM).

6. DEVELOP AN INTENSIVE PROGRAM OF "NEIGHBORHOOD MAINTENANCE" FOR THOSE SECTIONS OF JERSEY CITY WHERE HOUSING IS BEGINNING TO DETERIORATE.

B. HOUSING CHOICE

The concentration of income levels in the City within specific geographic sectors as well as the under-utilization of other portions of the City, requires an expansion of housing choice, an opening of the City's housing market, and a utilization of a variety of construction types. Such goals might be developed through the following objectives:

7. PROVIDE A REASONABLE DIVERSITY OF HOUSING TYPES AND CHOICE BETWEEN OWNERSHIP AND RENTAL FOR ALL INCOME GROUPS IN A VARIETY OF LOCATIONS SUITABLE FOR RESIDENTIAL DEVELOPMENT THROUGHOUT THE JERSEY CITY HOUSING MARKET AREA.
8. PROVIDE AN OPEN HOUSING MARKET FOR ALL PERSONS REGARDLESS OF RACE, AGE, RELIGION, SEX OR ETHNIC BACKGROUND.
9. CONVERT SOME LAND IN NON-RESIDENTIAL USE TO RESIDENTIAL USE(I.E. THE JERSEY CITY WATERFRONT).
10. DEVELOP, ATTRACT AND UTILIZE A VARIETY OF HOUSING CONSTRUCTION TECHNIQUES, SUCH AS MODULAR AND PANELIZED HOUSING, IN AREAS OF JERSEY CITY CON-
DUCIVE TO SUCH USE.

C. HOUSING PRODUCTION AND SERVICES

11. ESTABLISH A CENTRALIZED HOUSING INFORMATION SERVICE UNDER THE CITY OF JERSEY CITY WHICH WOULD:
 - A. PROVIDE PLANNING, EDUCATIONAL AND TECHNICAL ASSISTANCE TO COMMUNITIES, HOUSING SPONSORS, CITIZEN, HOUSING AND COMMUNITY IMPROVEMENT GROUPS, DEVELOPERS AND BUILDERS.
 - B. COLLECT, DISTRIBUTE AND ANALYZE CITY-WIDE HOUSING AND HOUSING-RELATED DATA ON A REGULAR BASIS.

- C. UNDERTAKE A CONTINUOUS REVIEW OF RESIDENTIAL CONDITIONS (I.E., APPLICATION OF EDP; HOUSING SURVEYS; EVALUATE MAJOR HOUSING INPUTS; EARLY TAGGING SYSTEM).
- 12. INVESTIGATE THE FEASIBILITY OF AN NEED FOR A COMMUNITY DEVELOPMENT CORPORATION FOR JERSEY CITY OR HUDSON COUNTY WHICH WOULD:
 - A. PROVIDE HOUSING AND OBTAIN SUBSIDIES FOR LOW-AND MODERATE INCOME PERSONS.
 - B. DEVELOP AND PRODUCE HOUSING ON A LARGE SCALE IN DETERIORATING AND UNDER-UTILIZED AREAS OF JERSEY CITY WHERE EXISTING HOUSING SPONSORS AND DEVELOPERS HAVE NOT SOUGHT TO MOVE.
- D. FINANCING

The majority of basic housing objectives will require a massive infusion of federal, state and local financing as well as a variety of new mechanisms to generate financial resources. In addition, the need for innovative and increase financing mechanisms puts emphasis upon the role which should be played by the City's private sector, business and banking institutions.

 - 13. ENCOURAGE THE FEDERAL AND STATE GOVERNMENTS (VIA HUD AND THE NEW JERSEY HOUSING FINANCE AGENCY) TO EXPAND AND ADEQUATELY FUND HOUSING PROGRAMS FOR LOW-AND MODERATE-INCOME PERSONS IN JERSEY CITY AND THE NATION. FURTHERMORE, JERSEY CITY WITH THE AID AND PARTICIPATION OF LOCAL FINANCIAL INSTITUTIONS, SHOULD SEEK TO ESTABLISH A BELOW MARKET INTEREST RATE MUNICIPAL FUNDING POOL WHICH WOULD FOSTER CITY-WIDE HOUSING DEVELOPMENT AND REHABILITATION.
 - 14. ENCOURAGE PROGRAMS AT THE FEDERAL, STATE AND METROPOLITAN LEVEL TO STIMULATE AND PROVIDE FUNDS FOR LOW-AND MODERATE-INCOME HOUSING (E.G. RENT SUPPLEMENTS, DOWNPAYMENT ASSISTANCE AND SUBSIDIZED VARIABLE INTEREST RATES).
 - 15. TAKE ALL MEASURES REQUIRED TO INSURE THAT JERSEY CITY IS AT ALL TIMES AS RECEPTIVE AS POSSIBLE FOR THE RECEIPT OF FEDERAL AND STATE HOUSING FUNDS (E.G. WORKABLE PROGRAM).

16. ENCOURAGE FEDERAL AND STATE PROGRAMS TO STIMULATE AND EXPAND HOUSING MORTGAGE FINANCING ON A CONTINUOUS BASIS.
17. ENCOURAGE BANKS, SAVINGS AND LOAN INSTITUTIONS, INSURANCE COMPANIES, STATE AND PRIVATE INVESTMENT AND PENSION FUNDS TO INCREASE THE FLOW OF MORTGAGE MONEY FOR HOUSING.

E. ZONING

At the present time, the City's Zoning Ordinance is restrictive in that it permits higher use levels in lower use areas. Policies must be developed which seek to implement high quality residential development, as well as incentives for such residential development.

18. BROADEN THE SCOPE OF RESIDENTIAL ZONING TO PROVIDE FLEXIBILITY FOR THE DEVELOPMENT OF VARIOUS HOUSING TYPES AND ENCOURAGE THROUGH PROPER ZONING DEVELOPMENT IN AREAS DESIRABLE FOR RESIDENTIAL CONSTRUCTION. FURTHERMORE, SOUND DEVELOPMENT CAN AND SHOULD BE ENCOURAGED THROUGH THE ADOPTION AND USE OF INNOVATIVE ZONING TECHNIQUES, SUCH AS PLANNED UNIT DEVELOPMENT.
19. PREVENT INCOMPATIBLE USES FROM BEING BUILT IN RESIDENTIAL AREAS THUS DETRACTING FROM THE AREA AND LIMITING THE VIABILITY OF BOTH USES.
20. DEVELOP MODEL RESIDENTIAL ZONING ORDINANCES, SUBDIVISION REGULATIONS AND PLANNED UNIT DEVELOPMENT ORDINANCES AND ENCOURAGE THEIR ADOPTION AND OR UTILIZATION IN JERSEY CITY. SUCH REGULATIONS SHOULD BE CONDUCIVE TO THE CONSTRUCTION OF LOW AND MODERATE-INCOME QUALITY DESIGNED HOUSING, AS WELL AS HOUSING FOR ALL INCOME LEVELS IN JERSEY CITY. IN ADDITION, SUCH REGULATIONS MUST BE COMPATIBLE WITH EACH OTHER TO INSURE THE UTMOST IN LAND USE CONTROLS.

F. PROPERTY TAXES AND TAXATION POLICIES

The existing property tax system in the State of New Jersey has a negative impact upon homeownership and residential renovation in such urban areas, such as Jersey City. The property tax system must be restructured to develop viable incentives for homeownership and residential rehabilitation.

21. SIGNIFICANTLY REDUCE THE CURRENT PROPERTY TAX RATE. LESSEN THE IMPACT OF THE CURRENT PROPERTY TAX RATE THROUGH THE USE OF AVAILABLE TAX ABATEMENT MECHANISMS.
22. DEVELOP TAX PROGRAMS AND INCENTIVES THAT WILL ENCOURAGE RESIDENTIAL IMPROVEMENTS.
23. SIGNIFICANTLY REDUCE THE TIME PERIOD FOR TAX FORECLOSURE BY FORMULATING AND SUBMITTING PROPOSED LEGISLATION TO THE NEW JERSEY LEGISLATURE.

G. GOVERNMENTAL ORGANIZATION

The absence of governmental mechanisms to aid in housing development and housing services represents a major gap in the Jersey City governmental system. Through the development of a broader range of housing services and development mechanisms will be enhanced. At the same time, the traditional bureaucracy and red tape so common in housing production efforts will be significantly curtailed.

24. IMPLEMENT THE CENTRALIZED, ALL INCLUSIVE COMMUNITY DEVELOPMENT AGENCY FOR THE CITY OF JERSEY CITY WHICH WILL SEEK TO:
 - A. INCLUDE ALL KEY CITY AGENCIES INVOLVED IN HOUSING IN JERSEY CITY.
 - B. PROVIDE ASSISTANCE AND BE RESPONSIBLE FOR THE DEVELOPMENT AND IMPLEMENTATION OF JERSEY CITY'S HOUSING PROGRAM.
 - C. COORDINATE PUBLIC AND PRIVATE AGENCIES INVOLVED IN THE PROVISION OF HOUSING TO IMPROVE PRODUCTION, EFFICIENCY AND CONSISTENCY WITH JERSEY CITY'S OVERALL HOUSING PLAN.
 - D. CONTINUOUSLY INVESTIGATE INNOVATIVE TECHNIQUES TO PROVIDE HOUSING.
25. COORDINATE THE HOUSING ACTIVITIES OF KEY CITY AGENCIES (I.E., REDEVELOPMENT AGENCY, HOUSING AUTHORITY, DIVISION OF PLANNING AND MODEL CITIES AGENCY) AND ALL SPONSORS ACTIVELY DEVELOPING HOUSING IN JERSEY CITY.

H. CODE ENFORCEMENT

As has been carefully documented within Part I, code enforcement and compliance procedures within Jersey City as well as programs to provide for upgraded compliance must be more fully developed and expedited. Without the provision of upgraded code enforcement and the establishment of code compliance programs, many areas of Jersey City currently affected by code violations will quickly become the abandoned and highly deteriorated areas of Jersey City five and ten years from now.

26. DEVELOP AND IMPLEMENT A CODE ENFORCEMENT PROCEDURE WHICH WILL REDUCE THE PRESENT NUMBER OF CASES FOUND IN VIOLATION AND EXPEDITE COMPLIANCE.
27. DEVELOP A CODE ENFORCEMENT COMPLIANCE METHOD, EITHER THROUGH FEDERAL, STATE OR MUNICIPAL LEGISLATION, WITH ADEQUATE FUNDING, TO ENSURE CODE COMPLIANCE, AND TO PROVIDE ADEQUATE LEVELS OF PUBLIC ASSISTANCE TO AID COMPLIANCE BY LOW- AND MODERATE-INCOME PERSONS.

I. SECURITY OF OCCUPANCY

Security of occupancy represents one of the greatest personal (or individual) concerns which a city must possess for its residents. The City of Jersey City must continue to place the provisions of adequate relocation housing as well as tenants rights as priority items within any housing plan.

28. PROVIDE FOR SUITABLE AND ACCEPTABLE REPLACEMENT HOUSING BEFORE RESIDENTS ARE REMOVED BY HOUSING AND REDEVELOPMENT ACTIVITIES.
29. SUPPORT THE ADOPTION OF LEGISLATION TO IMPROVE THE LEGAL RIGHTS OF TENANTS REGARDING HOUSING CONDITIONS, RETALIATORY EVICTION, AND HOUSING CODE ENFORCEMENT PROCEDURES.

J. ECONOMIC DEVELOPMENT AND HOUSING

For too many years, urban areas have undertaken housing and renewal activities within communities without attempting to promote economic development and employment programs in conjunction with

housing and renewal efforts. New housing has been built or rehabilitated, but the same chronic unemployment and poor economic levels have remained. The City of Jersey City, therefore, must attempt to make major efforts in developing employment-training programs in conjunction with all future housing development efforts.

30. INCREASE THE CAPACITY AND CAPABILITY FOR ECONOMIC DEVELOPMENT OF LOCAL AREA RESIDENTS IN CONJUNCTION WITH THE CITY'S HOUSING DEVELOPMENT PROGRAMS.

K. COMMUNITY AND ENVIRONMENTAL QUALITY

The development of all future housing programs should seek to emphasize Jersey City's conviction that significant housing production and programming mean more than merely building housing units. Housing and all necessary services and facilities must be viewed as a total concept.

31. MAXIMIZE A HIGH ENVIRONMENTAL QUALITY WITHIN ALL NEW RESIDENTIAL DEVELOPMENTS.
32. COORDINATE THE DEVELOPMENT OF HOUSING, EITHER THROUGH NEW CONSTRUCTION OR REHABILITATION WITH THE PROVISION OF SUPPORT FACILITIES AND SERVICES.

L. PARTICIPATION AND HOUSING

Effective community planning and development will only become successful when residents of Jersey City are involved and participating in the actual planning and development process. Only through such means can true citizen interest and citizen concern be fostered and augmented.

33. ESTABLISH AND PROMOTE EFFECTIVE MECHANISMS FOR CITIZEN PARTICIPATION IN PLANNING AND HOUSING POLICY FORMATION.

M. BROWNSTONE RENOVATION

The City of Jersey City currently possesses many architecturally noteworthy structures especially brownstones. Such structures must be preserved and their qualities and localities enhanced.

34. COORDINATE AND FOSTER THE ARCHITECTURAL RENOVATION AND COMMUNITY-WIDE SUPPORT FOR UPGRADING ALL BROWNSTONES AND ARCHITECTURALLY SIGNIFICANT STRUCTURES IN JERSEY CITY.

PART III

PLANNING AND IMPLEMENTING ACTIVITIES

PART III

PLANNING AND IMPLEMENTING ACTIVITIES

The objectives presented in the second section of the Housing Analysis are of a general nature. They have been developed and presented as basic guidelines for housing improvement and development. This section is designed to recommend specific ways in which each of the City's housing objectives can be implemented over the next two year period.

This report does not permit every recommendation to be fully delineated. Some proposals and recommendations are already underway, others will require additional evaluation within the coming months. Those planning recommendations which are ongoing activities -- i.e. certain urban renewal efforts--will continue within the coming two years. Those policies and recommendations requiring new financial, technical and administrative resources will be more fully studied. At the end of the two-year period, these recommendations and implementing activities should be re-evaluated and revised based upon the City's progress in achieving them and in view of changes in local, State and Federal housing programs, such as those which may occur through both local and special community revenue sharing.

The following will comprise the City's major housing, planning and implementing activities.

A. Housing Supply

A-1 INCREASE THE SUPPLY OF HOUSING TYPES FOR THE VARIETY OF INCOME LEVELS IN JERSEY CITY.

Major efforts to increase the supply of housing types for the variety of income levels in Jersey City have been in existence during the past two years, especially through the City's urban renewal projects.

URBAN RENEWAL

The following listing presents the City's current urban renewal projects and their status as of May, 1973.

Paulus Hook - NDP

The Paulus Hook N.D.P. Project, containing 11 acres, changed from the planning to execution stage during the last two years. The first Paulus Hook Housing Development, comprised of 308 units, will

be completed by the summer of 1973. The sponsors for the second housing development have been selected; this development will consist of approximately 150 senior citizen units.

St. John's -- Operation Breakthrough

The proposed Operation Breakthrough project has reached 90% completion. All modular units (comprising three individual modular building systems) have been installed. The entire Breakthrough development will contain 486 units and will be completed by the fall of 1973. Of the total number of units, 390 are scheduled for low-and moderate income families.

Efforts to increase the housing supply within the coming two year period include several major urban renewal projects. Among such projects are the following:

Henderson Street Urban Renewal Project

Acquisition and demolition of properties has now been completed in this project area. The plan for the project calls for all residential development to be accessible to low-and-moderate-income families. The maximum density of residential development will be 40 units per acre. An estimated number of 450 units will be constructed. It is anticipated that 30% or 110 units will be completed in 1973. All of these units will be accessible to low-and moderate-income families. The tenants from the land on which all of the units are to be built have already been relocated.

Non-profit sponsors have been selected for both the southern and northern portions of the project area and a mortgage application for 450 units of low-and-moderate-income housing has been submitted. Construction of the northern parcel began in April, 1973; construction of the southern parcel is expected to begin by the fall of 1973.

Grove Street Urban Renewal Project

The Grove Street NDP will in effect constitute an extension of the Henderson Street Urban Renewal Area. This project area was approved by the Jersey City Planning Board in May, 1973 and Municipal Council approval is anticipated in June, 1973. The project envisions providing new commercial and housing units as well as community facilities, rehabilitated housing and concentrated code enforcement.

NDP Urban Renewal Area II -- Arlington Park

A second year NDP application has been submitted for a portion of the Arlington Park area located in the Model Cities area. It is anticipated that this project will be completed by 1974 and will provide approximately 330 units of rehabilitated housing.

Jackson Avenue (NJR-12)

The Jackson Avenue Urban Renewal Project began execution activities in August, 1970. Currently, the Jersey City Redevelopment Agency has acquired some 110 properties, relocated 105 families, individuals and businesses, and is developing a contract for the design of approximately \$3 million in site improvements. During 1973 the Jersey City Redevelopment Agency anticipates completing acquisition and relocating the bulk of the families in the project area. The Agency also anticipates completing demolition on two residential disposition parcels which can accommodate approximately 250 low-and-moderate-income units.

During the same period the Redevelopment Agency anticipates completion of an estimated 30 residential structures in the rehabilitation portion of the project. Inspection of the structures to be rehabilitated is now under way. Initial loan and grant applications are being submitted.

Montgomery Street Urban Renewal Project

Within the next 8 month period, 150 housing units will be in the implementation process, all of which will be accessible to low-and-moderate-income families. Vacant land is already available and the remaining relocation workload is only 40 families. A sponsoring group composed of a local community based church from within the project area has been selected.

In addition to the housing and planning activities being undertaken through on-going urban renewal activities the following housing efforts are being coordinated through the Jersey City Division of Planning in an effort to increase the housing supply in the City.

New Construction

Programs for the construction and development of new housing units are being prepared by the City of Jersey City. Among such proposals are those concerned with residential development along the

Jersey City waterfront for as many as 20,000 units containing 5,000 luxury, 10,000 middle and 5,000 low and moderate income dwelling units on a cooperative or condominium basis. The Journal Square Bowl Site is also under active consideration for the residential development of an estimated 500 middle-income units.

Several other housing development efforts, outside of urban renewal project areas, are currently in planning, such as a proposed housing program in the southwestern portion of Downtown, Jersey City, as well as an Exchange Place housing development program featuring luxury and condominium housing. The Downtown housing plan represents a much needed effort on the part of Jersey City to begin to analyze an area's needs from a variety of perspectives, including housing, recreational, educational, community facility and retail needs. The Downtown plan calls for the construction of approximately 500 units and the rehabilitation of 300 to 500 units. Plans also include the establishment of a neighborhood facility center, additional open space and a complete range of social and health services for the residents of this portion of the Downtown area.

In addition, intensive neighborhood planning efforts (similar to those completed for Downtown, Jersey City) for the Lafayette Park area of the City are currently in progress and similar neighborhood planning studies will be completed for all neighborhoods during 1973.

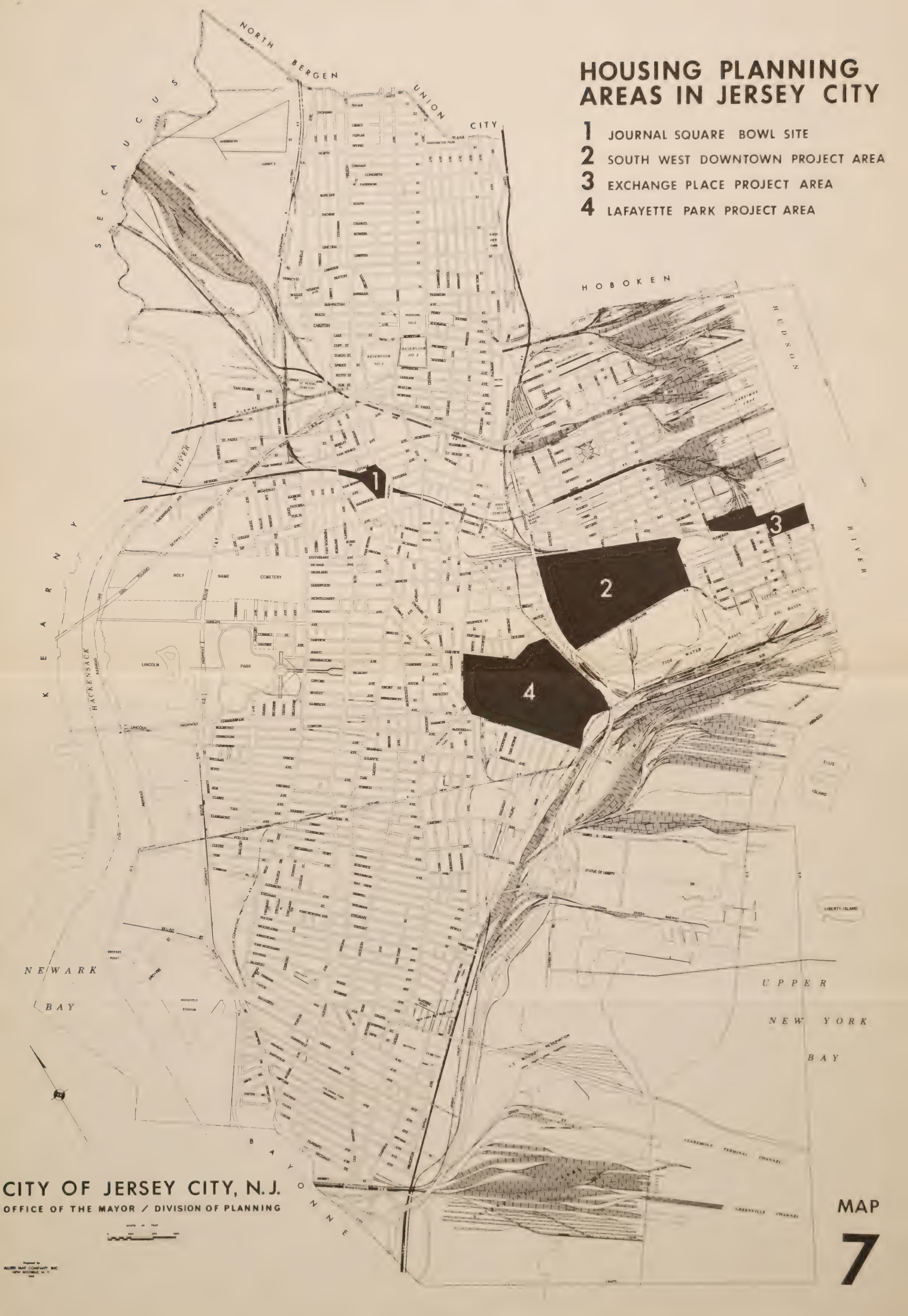
Several housing developers and sponsors have proposed senior citizen housing projects for various areas of the City. Although several of these are only in the planning stages and have not yet reached feasibility, it can be estimated that a minimum of 400 senior citizen units will be constructed within the coming two year period. (See Map #7 for an indication of planning areas where new construction is proposed or contemplated outside of renewal areas).

A-1 Priority Action Areas for 1973-1974

1. Increase the supply of housing for all income levels in Jersey City through the following efforts:
 - A. Completion of Operation Breakthrough, Journal Square -- 486 units.
 - B. Completion of Paulus Hook Tower, Downtown -- 308 units.
 - C. Completion of Ocean Tower (senior citizen housing), Greenville -- 100 units.

HOUSING PLANNING AREAS IN JERSEY CITY

- 1 JOURNAL SQUARE BOWL SITE
- 2 SOUTH WEST DOWNTOWN PROJECT AREA
- 3 EXCHANGE PLACE PROJECT AREA
- 4 LAFAYETTE PARK PROJECT AREA



CITY OF JERSEY CITY, N.J.
OFFICE OF THE MAYOR / DIVISION OF PLANNING

MAP
7

- D. Completion of Henderson Street Urban Renewal Area, Downtown -- 450 units.
 - E. The successful completion of a minimum of 1,000 additional units of both rehabilitated and newly constructed housing through non-profit and limited-dividend sponsors with technical assistance from the City of Jersey City. These projects represent those both within and outside of urban renewal areas and represent senior citizen housing developments as well as units for low and moderate-income families. Among such projects are those housing efforts within the Jackson Avenue and Arlington Park Urban Renewal area; Montgomery Street Urban Renewal area; Paulus Hook NDP; and housing developments to be sponsored by limited dividend and non-profit groups. Some of these anticipated developments will be halted by the federal moratorium.
 - F. Initial feasibility planning for residential development on the Jersey City Waterfront and the Journal Square Bowl Site.
 - 2. Completion and implementation of neighborhood plans for the Downtown (Van Vorst) and the Lafayette Park areas in order to both develop and enact a coordinated viable housing and community develop program for these neighborhoods.
 - 3. Survey the Bergen, Marion, Journal Square, Greenville and Hudson City sections of Jersey City in an effort to develop neighborhood plans for these areas.
- A-2 INCORPORATE LOW AND MODERATE-INCOME HOUSING INTO THE OVERALL JERSEY CITY HOUSING MARKET THROUGH THE USE OF SUCH PROGRAMS AS SCATTERED SITE DEVELOPMENT, LEASING AND RENT SUPPLEMENTS.

Jersey City has been attempting to incorporate housing for low and moderate -income groups into the overall housing market through several programs, during the past two years.

Leasing: The Jersey City Housing Authority has developed 227 leased housing units within the past two years. It is hoped that additional units of leased housing can be developed following the much needed reorganization of the Jersey City Housing Authority.

Scattered Site Development: The major projected low and moderate income housing units planned within Jersey City within the next two years are primarily located within the City's urban renewal projects. In some cases, the urban renewal projects are located in lower income areas which are highly deteriorated or dilapidated. For this reason, therefore, the City's urban renewal projects cannot totally be regarded as areas which will maximize scattered-site housing choice. However, the following existing or planned housing developments both within and outside designated urban renewal areas can be considered major inputs toward increasing the availability of scattered site developments and thus, choice in housing types for all income levels in Jersey City.

- a. St. John's Urban Renewal Project -- Operation Breakthrough will provide 486 units of housing, 80% of which will be available for low and moderate-income households.
- b. Paulus Hook Tower -- 308 units in the Downtown, Exchange Place area for low and moderate-income households.
- c. Housing Authority -- leased units under Section 23 and the Turnkey III housing programs.
- d. The anticipated initial waterfront development of some 5,000 units of housing including luxury, middle, moderate and low-cost housing at Tidewater Basin, plus the construction west of Harborside Terminal at Exchange Place of an estimated 1,000 units of housing, including senior citizen and multi-family housing through FHA section 236 and rent supplement programs will both potentially serve the interests of scattered site housing efforts within the next two to five year period. In addition, the construction of senior housing on Parcel #2 of the Paulus Hook NDP as well as the anticipated construction of senior housing in the Marion Community by the Lutheran Housing Corporation will increase scattered site housing opportunities for senior citizens.

RENT SUPPLEMENT

The rent supplement program -- as it currently exists -- is being utilized within all eligible projects financed through F.H.A. such as Sections 236, 231 and 221 d-4.

The City is hopeful that through legislative changes the rent supplement program would become more readily available to other lower income families in addition to those residing in F.H.A. financed units.

In an effort to implement the recommendations presented in A-2 above the following are the City's priority actions for 1973-74:

A-2 Priority Action Areas -- 1973-1974

1. Prepare additional applications for leased housing units in several scattered site locations in Jersey City. Utilize Turnkey III and IV public housing programs in this effort. This effort is currently halted by the moratorium.
2. Develop a program to utilize City-owned structures, in Jersey City's more stable neighborhoods, within a leased housing-scattered site program. This project is currently being studied as to implementation.
3. Vigorously support all housing developments sponsored by local non-profit or limited-dividend groups which seek to foster such scattered site developments.

A-3 DEVELOP A COORDINATED HOUSING PLAN WITHIN AREAS HAVING SIGNIFICANT PORTIONS OF CITY-OWNED PROPERTY.

As was fully explained in Part I, the City of Jersey City currently possesses an estimated 1,000 parcels of improved and vacant property by virtue of tax foreclosure. An additional 2,000 parcels are presently in the City's tax lien account, and will be acquired by the City within 1 or 2 years if the property is not redeemed through payment of overdue taxes.

The availability of City-owned property represents a major resource of land and structures which can be redeveloped for new construction or rehabilitation (in the case of structurally sound City-owned property). City-owned property, however, by its very nature, most often means property in areas of the City where owners -- usually absentee owners -- have failed to pay property taxes and have let their property become increasingly deteriorated. City-owned land, moreover, often cannot be packaged for significant redevelopment because of its scattered nature.

A-3 Priority Action Areas -- 1973-1974

Jersey City must now make every effort to seek to comprehensively redevelop and package City-owned property wherever feasible. The major aspects which will be dealt with during the next two year period to achieve a more coordinated approach in the disposal and development of City-owned property will be the following:

1. Upgrade the procedure, practices and administration of the City's Land Sale Committee. This effort is already under-way through a series of recommendations; a study to be conducted under the 701 Planning Grant and the provision of an additional staff member within the Jersey City Division of Planning to work solely on this aspect.
2. Square blocks possessing a significant portion of City-owned property will be fully surveyed as to packaging potential.
3. Efforts will be made to disseminate relevant land information to interested developers.
4. An attempt will be made to explore every mechanism which would permit the City to acquire privately owned and lien property in order to package entire square blocks and thereby expedite the redevelopment process. This aspect represents one of the primary obstacles in the City's current efforts to package City-owned parcels for redevelopment. Legal procedures must be developed in order to achieve the above goal.
5. Special programs to both expedite the packaging of City-owned land and to foster its purchase and redevelopment by competent developers must be initiated. Among these are the formulation of a data land bank as well as a system of "front monies" for the acquisition and packaging of sites containing much City-owned land. Such a front-end money program should be instituted by the City alone or in conjunction with prospective developers, or via State HFA programs.

A-4 ENCOURAGE THE DEVELOPMENT OF HIGH DENSITY, MULTI-INCOME RESIDENCES CONVENIENT TO CONCENTRATIONS OF ECONOMIC ACTIVITY AND TRANSPORTATION.

The existence and potential of the Jersey City Waterfront (see Map 8) represents a major new development district which can revitalize and significantly affect Jersey City's future. The Waterfront Development Plan calls for an estimated 20,000 new residential units. Given the proximity of the waterfront to major transportation channels (PATH and the New Jersey Turnpike) and to lower Manhattan, the Waterfront can be considered a major future residential and industrial area. A contract to develop a Master Plan for the waterfront has been executed between

PROPOSED WATERFRONT LAND USE

MAP

8



Jersey City and United Housing Foundation, Inc. and National Kinney Corporation. These parties will have the first right to develop the industrial and residential portions of the Waterfront. The feasibility plan was completed in March, 1973 and all necessary approvals have been obtained from the Planning Board and Municipal Council. The City has received HUD's approval for the Waterfront New Town pre-application and has begun to prepare a formal Title VII New Communities application. Necessary enabling legislation for the development of housing on the Waterfront is being studied.

A-4 Priority Actions -- 1973-1974

1. Completion of the Waterfront Master Plan (feasibility study) and implementation of Stage I recommendations.
2. Submission of a Title VII -- New Communities application to the Department of Housing and Urban Development.
3. Work closely with the State of New Jersey, federal officials and private institutions to develop proper funding mechanisms for the preparation of the Waterfront site for initial housing development.

A-5 DEVELOP INNOVATIVE HOUSING DEMONSTRATION PROGRAMS IN JERSEY CITY WHICH ARE ADEQUATELY FUNDED.

The City of Jersey City is in need of well conceived and properly monitored housing demonstration programs designed to explore the possibilities of programs or techniques not widely-utilized at the present time.

The following demonstration programs will be developed to a preliminary degree, in an effort to present such programs for funding to the State of New Jersey and HUD.

1. A Housing Allowance Program -- designed to provide an allowance for housing directly to low and moderate income households for use in obtaining a housing unit.
2. A Demonstration Program in Housing Management and Maintenance.

The necessity for a program which will seek to upgrade housing management and maintenance techniques and expertise has exhibited itself most clearly within recent years. At the same time, some urban areas are currently attempting to upgrade management and maintenance capabilities and resources through the formation of innovative demonstration programs designed to test new approaches and methods. The City of Jersey City

hopes to first survey such needs within the City and to subsequently develop action programs (such as management and maintenance training programs, home-maintenance assistance, etc.)

3. A Demonstration Program to Arrest Housing Abandonment -- the City of Jersey City has also requested designation for HUD's demonstration program to arrest incipient housing abandonment in several Jersey City neighborhoods.

Priority Action Areas -- 1973-1974

1. The City of Jersey City will seek designation for the three demonstration projects indicated above. Efforts to achieve such designations are already underway but are also affected by the federal moratorium.
2. Within the next two year period, the City of Jersey City will seek to formulate and implement several studies which will lead to programs in the areas of household management and maintenance.

The following approaches will be instituted:

- a. The analysis of housing management and maintenance needs (especially as they pertain to the Jersey City Public Housing Developments) through and in conjunction with Jersey City's 701 Comprehensive Planning Grant.
- b. The formulation of approaches and specific demonstration program designs to be submitted for funding to HUD and the New Jersey Department of Community Affairs.

A-6 DEVELOP AN INTENSIVE PROGRAM OF "NEIGHBORHOOD MAINTENANCE" FOR THOSE SECTIONS OF JERSEY CITY WHERE HOUSING IS BEGINNING TO DETERIORATE.

The City of Jersey City realizes the necessity of upgrading existing sound or deteriorating neighborhoods through a comprehensive "maintenance" program. Since the Federal Area Code Enforcement Program is so limited in its funding availability, the City is prepared to request demonstration funding and to stress intensive code enforcement areas.

The provision and funding of special community revenue sharing will provide a much needed opportunity to hopefully develop neighborhood maintenance programs in certain areas of Jersey City which traditionally have not been eligible in the past for urban renewal or federal code enforcement monies. Because of the City's realization, however, that incentives are necessary to maintain sound neighborhoods from deterioration, it seems important to develop maintenance approaches in areas throughout the City during the next two years. Such an approach will seek to develop maintenance incentives for neighborhood preservation against housing and community deterioration in neighborhoods such as Greenville, Marion and sections of Hudson City. This approach will closely tie in with any effort to prevent housing abandonment, as recommended in A-5 above.

HOUSING CHOICE

B-7 PROVIDE A REASONABLE DIVERSITY OF HOUSING TYPES AND CHOICE BETWEEN OWNERSHIP AND RENTAL FOR ALL INCOME GROUPS IN A VARIETY OF LOCATIONS SUITABLE FOR RESIDENTIAL DEVELOPMENT THROUGHOUT THE JERSEY CITY HOUSING MARKET AREA.

This objective closely parallels objective A-2 above. The City's priority actions include all those indicated within A-2 above, as well as the City's striving for eligibility through HUD's demonstration programs.

B-8 PROVIDE AN OPEN HOUSING MARKET FOR ALL PERSONS REGARDLESS OF RACE, AGE, RELIGION, SEX, OR ETHNIC BACKGROUND.

The City's continuous efforts to maintain an open housing market will be further aided by the following programs which are anticipated or currently in existence.

- a. 701 Comprehensive Planning Grant
- b. Scattered Site Housing Program
- c. Public Benefit Housing Development Corporation
- d. Existing and Anticipated Urban Renewal Programs
- e. Jersey City Waterfront Plan

B-9 CONVERT SOME LAND IN NON-RESIDENTIAL USE TO RESIDENTIAL USE.

This objective is somewhat related to objective A-4 designed to encourage residential development conveniently located to all necessary amenities.

Within Jersey City at the present time there exists much land with mixed uses -- i.e. land partially developed for commercial and industrial use and partially devoted to residential use. In other areas of the City, land is largely under-utilized. Through the above objective, the City of Jersey City seeks to fully maximize the potential of land for residential use. Such an approach will be implemented through the City's new zoning ordinance which has been introduced for review. More specifically, the following program approaches will be implemented:

1. Plan for residential development of the northern sector of the Jersey City Hudson River waterfront in and around the Tidewater Basin.
2. Plan for residential development in all sections bordering the waterfront as well as areas bordered by mass transit and currently conducive to residential development.

B-10 DEVELOP, ATTRACT, AND UTILIZE A VARIETY OF HOUSING CONSTRUCTION TECHNIQUES, SUCH AS MODULAR AND PANELIZED HOUSING IN AREAS OF JERSEY CITY CONDUCTIVE TO SUCH USE.

The City of Jersey City strongly believes that the use of a variety of construction techniques can expedite the process of building construction.

At the present time, the City of Jersey City is implementing the modular concept through the Operation Breakthrough development. In addition, several individual units are being constructed by private developers.

C. HOUSING PRODUCTION SERVICES

C-11 ESTABLISH A CENTRALIZED HOUSING INFORMATION SERVICE UNDER THE CITY OF JERSEY CITY WHICH WOULD:

- a. Provide planning, educational and technical assistance to community improvement groups, developers and builders.
- b. Collect, distribute and analyze City-wide housing and housing-related data on a regular basis.

- c. Undertake a continuous review of residential conditions (i.e. Application of EDP; Housing Surveys, etc.)

The above Housing Information Service Center is currently in existence to some extent and will be completely formulated through Jersey City's 701 Planning Grant. The Housing Information Service as a Year 1-701 activity will be fully functioning by June, 1973. The first action year for the Housing Information Center will include the following: determination of the format and operation of the Center, including work programs, overall goals, coordination, operation, and functioning of the Center upon completion of the program design.

C-12 INVESTIGATE THE FEASIBILITY OF AND NEED FOR A COMMUNITY DEVELOPMENT CORPORATION FOR JERSEY CITY WHICH WOULD:

- a. Provide housing and obtain subsidies for low-and moderate income persons.
- b. Develop and provide housing on a large scale in deteriorating and under-utilized areas of Jersey City where existing housing sponsors and developers have not sought to move.

The first implementing activity of an investigative study regarding the need for and feasibility of a community development corporation has been to include this study within Jersey City's 701 Comprehensive Planning Assistance Application effective June, 1972. A basic research and program design for the first action year is being formulated. The first action year will not only attempt to analyze the current state of housing sponsorship in Jersey City but will evaluate and propose alternative housing development mechanisms such as a Community Development Corporation with the power to float bonds outside the debt limit of the municipality for financing the construction or rehabilitation of housing as well as development of recreation facilities and providing low interest loans to industry to locate in Jersey City.

D. FINANCING

- D-13 ENCOURAGE THE FEDERAL AND STATE GOVERNMENT (VIA HUD AND THE NEW JERSEY HOUSING FINANCE AGENCY) TO EXPAND AND ADEQUATELY FUND HOUSING PROGRAMS FOR LOW-AND MODERATE-INCOME PERSONS IN JERSEY CITY AND THE NATION.

As indicated in Part I, in excess of 50% of Jersey City's residents appear to be eligible to receive some form of subsidized housing based upon a preliminary income analysis. However, it would seem that the only means by which a truly adequate level of federal and state funding can occur will be when national priorities become such that an adequate level of funding can be allocated toward housing programs and housing subsidies.

D-14 ENCOURAGE PROGRAMS AT THE FEDERAL, STATE AND METROPOLITAN LEVEL TO STIMULATE AND PROVIDE FUNDS FOR LOW-AND MODERATE-INCOME HOUSING (E.G. RENT SUPPLEMENTS, DOWNPAYMENT ASSISTANCE AND SUBSIDIZED VARIABLE INTEREST RATES).

The City of Jersey City will continue to seek funding and demonstration program designation in those areas which will directly assist low-and moderate-income residents, namely:

- a. Designation -- Experimental Housing Allowance Program
- b. Designation -- Abandoned Housing Demonstration Program
- c. Increased availability of rent supplements, 312 loans and 115 grants for housing code enforcement.
- d. Increased Section 235, Turnkey III and Leased Housing Homeownership Programs.

At the same time the City of Jersey City realizes the need to also provide whatever funding can be made available on a municipal level to also assist in the provision of housing for low and moderate income groups. Such funding by the City of Jersey City might be developed through revenue sharing funds, as well as through a Community Development Corporation.

D-15 TAKE ALL MEASURES REQUIRED TO INSURE THAT JERSEY CITY IS AT ALL TIMES AS RECEPTIVE AS POSSIBLE FOR THE RECEIPT OF FEDERAL AND STATE HOUSING FUNDS.

This recommendation has relevance in several specific areas.

- a. The City of Jersey City must see to it that the City's current Workable Program is adhered to and is adequately updated relative to future housing and planning activities.
- b. The City of Jersey City will seek to cooperate with the Jersey City Housing Authority study conducted by the U. S. Department of Housing and Urban Development. Furthermore, the City will seek to expedite those recommendations which have been presented by HUD.

D-16 ENCOURAGE FEDERAL AND STATE PROGRAMS TO STIMULATE AND EXPAND HOUSING MORTGAGE FINANCING ON A CONTINUOUS BASIS.

The current unavailability of mortgage financing must be radically altered to provide a more extensive level of financing. In addition, the reluctance of F.H.A. insuring offices to approve mortgage guarantees in certain areas of Jersey City is causing deep concern to homeowners, realtors and all those involved in housing and community development activity.

In order to more readily provide mortgage financing, Jersey City will seek to urge federal officials and elected representatives to increase the supply of federally insured mortgages. Secondly, the City will seek to establish a special mortgage pool to be backed by local banks and savings and loan institutions. In order to alleviate the fears of Federal and State funding agencies, the City of Jersey City will work more closely with housing sponsors in an effort to prevent those situations which give rise to foreclosure proceedings which in turn can ultimately lead to cut backs in Federal allocations.

D-17 ENCOURAGE BANKS, SAVINGS AND LOAN INSTITUTIONS, INSURANCE COMPANIES, STATE AND PRIVATE INVESTMENT AND PENSION FUNDS TO INCREASE THE FLOW OF MORTGAGE MONEY FOR HOUSING.

In conjunction with #16 above, Jersey City through the Redevelopment Agency, brought together, in the summer of 1973, representatives of local banks and savings and loan institutions, as well as local investment groups in an effort to establish an independent vehicle to dispense mortgages within Jersey City, especially in those areas currently being rejected by the Federal Housing Administration Insuring Office.

E. ZONING

At the present time, the City's Zoning Ordinance has a pyramiding effect in that it permits higher use levels in lower use areas. Policies must be developed which seek to implement high quality residential development, as well as incentives for such residential development.

E-18 BROADEN THE USE OF RESIDENTIAL ZONING TO PROVIDE GREATER FREEDOM TO DEVELOP A VARIETY OF HOUSING TYPES IN ALL DESIRABLE HOUSING LOCATIONS AND FURTHER PROVIDE FOR FLEXIBILITY IN DESIGN (E.G., PLANNED UNIT DEVELOPMENT).

- E-19 REQUIRE HIGH QUALITY BUILDING AND DESIGN IN ALL RESIDENTIAL CONSTRUCTION TO ENSURE COMPATIBLE AND HARMONIOUS DEVELOPMENT.
- E-20 DEVELOP MODEL RESIDENTIAL ZONING ORDINANCES, SUB-DIVISION REGULATIONS AND PLANNED UNIT DEVELOPMENT ORDINANCES AND ENCOURAGE THEIR ADOPTION AND/OR UTILIZATION IN JERSEY CITY. SUCH REGULATIONS SHOULD BE CONDUCIVE TO THE CONSTRUCTION OF LOW-AND MODERATE-INCOME QUALITY DESIGNED HOUSING, AS WELL AS HOUSING FOR ALL INCOME LEVELS IN JERSEY CITY. IN ADDITION, SUCH REGULATIONS MUST BE COMPATIBLE WITH EACH OTHER TO INSURE THE UTMOST IN LAND USE CONTROLS.

The above three objectives can be implemented to a significant degree through Jersey City's proposed Zoning Ordinance. The current strategy for the adoption of the Zoning and Planned Unit Development Ordinances, is for a public hearing by the Planning Board in the fall of 1973 followed by a similar hearing before the City Council in the winter of 1973 prior to the final adoption of these ordinances.

Before such public hearings however, the City and its consultants will meet with the residents of each of the seven communities in Jersey City in order to receive suggestions from residents and businessmen. In this way, any problems will be clarified and the ordinances will be as responsive as possible to the citizenry by utilizing their suggestions as inputs into the final Zoning and Planned Unit Development Proposals.

F. PROPERTY TAXES AND TAXATION POLICIES

- F-21 SIGNIFICANTLY REDUCE THE CURRENT PROPERTY TAX RATE.
- F-22 DEVELOP TAX PROGRAMS AND INCENTIVES THAT WILL ENCOURAGE RESIDENTIAL IMPROVEMENTS.
- F-23 SIGNIFICANTLY REDUCE THE TIME PERIOD FOR TAX FORECLOSURE BY FORMULATING, AND SUBMITTING PROPOSED LEGISLATION TO THE NEW JERSEY LEGISLATURE.

During 1972 legal advisors for the City of Jersey City evaluated New Jersey's existing tax foreclosure policy in an effort to develop a decreased time period for tax foreclosure. Such proposed legislation

was developed and presented before the New Jersey State Legislature in November, 1972. The proposed legislation which recommended that the foreclosure period be reduced from the current four full year period to two years was vetoed in 1973 by Governor Cahill. The successful enactment of such legislation would have aided the City's efforts to quickly package and sell property for redevelopment purposes. In addition, the common tendency of those who purchase property for speculation purposes while not paying taxes for four years could have been curtailed through revised legislative procedures.

The 1973 property tax rate was significantly decreased by \$10.00 through the application of revenue sharing funds as well as through better coordination of purchasing procedures and upgraded efficiency of governmental agencies and services. This property tax decrease comes as a great relief to residents of Jersey City especially since the hoped-for property tax relief anticipated through Governor Cahill's Property Tax Reform Bill was rejected by the New Jersey Legislature.

Finally, during 1973 the City of Jersey City will continue to explore legal procedures in the development of property tax incentives for property owner. One proposal under investigation would seek to keep property tax assessment at its current level following housing renovations designed to bring structures up to code standard.

GOVERNMENTAL ORGANIZATION

- G-24 INVESTIGATE THE NEED FOR A CENTRALIZED, ALL INCLUSIVE COMMUNITY DEVELOPMENT AGENCY FOR THE CITY OF JERSEY CITY WHICH WOULD SEEK TO:
- A. INCLUDE ALL KEY CITY AGENCIES INVOLVED IN HOUSING IN JERSEY CITY.
 - B. PROVIDE ASSISTANCE AND BE RESPONSIBLE FOR THE DEVELOPMENT AND IMPLEMENTATION OF JERSEY CITY'S HOUSING PROGRAM.
 - C. COORDINATE PUBLIC AND PRIVATE AGENCIES INVOLVED IN THE PROVISION OF HOUSING TO IMPROVE PRODUCTION, EFFICIENCY AND CONSISTENCY WITH JERSEY CITY'S OVERALL HOUSING PLAN.
 - D. CONTINUOUSLY INVESTIGATE INNOVATIVE TECHNIQUES TO PROVIDE HOUSING.

It should be noted that financial support for the Community Development Agency will be dependent, to a great extent, on the passage of Community Development Revenue sharing. At present, the level of State and Federal funding and its distribution to municipal agencies for specific programs is well below the level necessary to fully attain the stated objectives of the Jersey City Community Development Agency.

G-25 COORDINATE THE HOUSING ACTIVITIES OF KEY CITY AGENCIES (I. E. REDEVELOPMENT AGENCY, HOUSING AUTHORITY, DIVISION OF PLANNING, AND MODEL CITIES AGENCY) AND ALL SPONSORS ACTIVELY DEVELOPING HOUSING IN JERSEY CITY.

In conjunction with the City's objective of better coordinating all housing programs, Jersey City will seek to integrate the housing activities of key city agencies and housing sponsors through several means:

1. In conjunction with the City's Workable Program review the formation of a coordinating committee for housing composed of the City's key housing agencies -- designed to review housing efforts and proposals on a monthly basis prior to the establishment of an umbrella agency.
2. A periodic semi-annual assessment of the efforts of all non-profit and limited dividend sponsors actively engaged in housing activities in Jersey City if such sponsors do not already coordinate their efforts with the City on a regular basis.

H. CODE ENFORCEMENT

H-26 DEVELOP AND IMPLEMENT A CODE ENFORCEMENT PROCEDURE WHICH WILL REDUCE THE PRESENT NUMBER OF CASES FOUND IN VIOLATION AND EXPEDITE COMPLIANCE.

H-27 DEVELOP A CODE ENFORCEMENT COMPLIANCE METHOD, EITHER THROUGH FEDERAL, STATE OR MUNICIPAL LEGISLATION WITH ADEQUATE FUNDING, TO INSURE CODE COMPLIANCE AND TO PROVIDE ADEQUATE LEVELS OF PUBLIC ASSISTANCE TO AID COMPLIANCE BY LOW- AND MODERATE-INCOME PERSONS.

The City of Jersey City intends to undertake a detailed analysis of the present system of code enforcement which is now being used by Jersey City through the City's 701 grant. This study will involve the assignment of at least one person on a full-time basis to the Division of Property Conservation. The primary concern of this individual will be to:

1. Review in detail the present system being used by the Division in its systematic housing code inspection program.
2. Analyze manpower dispersion and determine where certain economies can be obtained by shifting personnel to different areas of chronic code violation problems.
3. Study the present filing and referral system and recommend improvements in the various manual procedures used by the Division in issuing inspection notices and notifying property owners of their violations.
4. Review the existing procedure used by the Division in processing violators through the Municipal Housing Court. Specific guidelines will be drawn up which will give directives to be followed once it is found that there is apparently no alternative method of gaining compliance except through legal action.
5. Further analyze the workload which certain sections of the City present and from that determine the areas where the City's program of systematic inspections should be made.
6. Study the roles which both tenants and landlords play in the deterioration process of a building, and from this draw recommendations for actions against both groups of individuals.

Additional inputs to planning activities will be gathered once the study is begun.

Following the study which will be made of the present system of code enforcement, recommendations will be made for the use of new and innovative techniques in the field of enforcement. Some of the concepts which have been introduced and have proven successful in other cities are the following:

1. In the past, inspections have involved a totally written, physical exercise. In our opinion this work is extremely tedious, and in many instances, repetitious. Citing violations is a laborious procedure and usually involves the use of several standardized forms. We feel that this procedure can be expedited in several ways. An attempt should be made, at first on a limited, experimental basis, with the use of tape recording machinery. Cost figures and the number of individuals who will be using this apparatus to site violations has yet to be determined. This will all be covered in the detailed study which will be underway as part of the City's 701 grant. The use of a recording instrument, it is felt, will enable an inspector to cover a greater number of structures per day, increase his accuracy in reporting violations, and decrease the time lag he would spend writing the violations on a report sheet.
2. With the use of recording equipment we will also attempt to coordinate this effort with transcribing equipment for the secretarial staff. There would then be no need to decipher illegible handwriting on the part of the inspectors.
3. In conjunction with the above mentioned innovations we will be giving serious consideration to the use of the I.B.M. MT/ST typewriting system. The use of this magnetic type selectric typewriter will enable us to alleviate much of the filing problems we are now encountering. This is a "memory recall" type operation which would be catalogued with all conceivable housing code violations, and would need only refer to a number which had been assigned to that particular

violation. In turn the typist would simply refer to these numbers and the I.B.M. typewriter would print the violations automatically. This would then remove the possibility of typing errors and would be incorporated on a magnetic tape which can be stored and referred to as is necessary in obtaining compliance.

4. We will be placing emphasis on proper distribution of manpower. Certain inspectors will be assigned to performing systematic inspection services. Others will be used on a complaint or referral basis. Too often in the past, the men have been used interchangeably and they, therefore, loose contact with the specific problem on which they were originally assigned.
5. Coordination between departments will be a primary objective of this study. It is vital that all related Departments, such as Planning, Redevelopment, the Housing Authority and the Department of Building, be knowledgeable in the activities of both their respective departments and the departments which perform similar functions.
6. In addition to the analysis and recommendations which will be made for the present system of filing used by the Division of Housing and Department of Building, we will also revise the present system used by the inspectors for reporting violations. In conjunction with the use of tape recorders for the reporting of violations, there will be a revision in the weekly, monthly, and yearly report sheets used for keeping records of work performance. The new report forms will be modified and simplified so that they will reflect data which HUD requires for Workable Program Re-Certification.

Certainly, it is premature to state that the use of recording equipment and an I.B.M. memory system will solve the problems presently encumbering the departments dealing with code enforcement in Jersey City. An analysis of the system will be lengthy but hopefully prove invaluable should the problem of code compliance be relieved to some extent. We are certain that with a coordinated effort by all parties concerned we can expedite code enforcement procedures and in turn provide a safe, sanitary and healthy environment in which Jersey City residents can live.

I. SECURITY OF OCCUPANCY

- I-28 PROVIDE FOR SUITABLE AND ACCEPTABLE REPLACEMENT HOUSING BEFORE RESIDENTS ARE REMOVED BY HOUSING AND REDEVELOPMENT ACTIVITIES.

The Jersey City Redevelopment Agency's Centralized Relocation Division acts as the key relocation agency within Jersey City. To this extent, it will continue to oversee all relocation activities associated with City urban renewal efforts. For those redevelopment activities currently being performed by sponsors, the City will see to it that each sponsor has an adequate relocation plan for all tenants prior to the City's granting tax abatement approval as well as any other necessary municipal approvals.

- I-29 SUPPORT THE ADOPTION OF LEGISLATION TO IMPROVE THE LEGAL RIGHTS OF TENANTS REGARDING HOUSING CONDITIONS, RETALIATORY EVICTION AND HOUSING CODE ENFORCEMENT PROCEDURES.

Jersey City's priority activity relative to the above objective will be to begin to educate tenants and to provide all necessary housing service information through the City's Housing Information Service Center. This program is being developed through the City's 701 Planning Grant and will be fully designed and ready for implementation by June, 1973.

J. ECONOMIC DEVELOPMENT AND HOUSING

- J-30 INCREASE THE CAPACITY AND CAPABILITY FOR ECONOMIC DEVELOPMENT OF LOCAL AREA RESIDENTS IN CONJUNCTION WITH THE CITY'S HOUSING DEVELOPMENT PROGRAMS.

The above goal reflects a priority action which cannot be achieved without extensive planning, coordination and commitment. However, the following activities can be considered priority items in this effort:

1. Coordination and communication with the Equal Opportunity Division of the local HUD-Newark Area Office in order to inform and impress HUD with Jersey City's desire to enforce economic development through housing programs.

2. The request to all housing sponsors in Jersey City selecting contractors, that residents of Jersey City, especially minority residents be considered and selected for sub-contracting positions.
3. That the City of Jersey City apply for and receive special planning grants designed to train residents in the fields of housing management, maintenance credit counseling and budgeting.
4. Analyze the economic feasibility of all proposed housing programs in order to arrive at a cost benefit estimation of each proposal.

K. COMMUNITY AND ENVIRONMENTAL QUALITY

K-31 MAXIMIZE A HIGH ENVIRONMENTAL QUALITY WITHIN ALL NEW RESIDENTIAL DEVELOPMENTS.

All new residential developments in Jersey City will seek to maximize a high environmental quality through the following priority actions:

1. Adequate open space and green space provisions in all proposed residential developments.
2. The selection of future housing sites to be consistent with the above goal and with the City's Master Plan and proposed zoning ordinance as well as HUD's environmental criteria.

K-32 COORDINATE THE DEVELOPMENT OF HOUSING WITH THE PROVISION OF SUPPORT FACILITIES AND SERVICES.

The City of Jersey City firmly believes that all housing development programs must not only provide decent housing units, but must also provide the necessary scope of social services. To accomplish this objective, the City seeks to closely coordinate the efforts of housing sponsors and developers in order to assure that each new development will provide necessary ancillary services.

Jersey City will not grant tax incentives or other bonuses for any housing program until the City feels confident that each program can not only provide necessary housing units, but also comprehensive social and housing services.

L. PARTICIPATION AND HOUSING

L-33 ESTABLISH AND PROMOTE EFFECTIVE MECHANISMS FOR CITIZEN PARTICIPATION IN PLANNING AND HOUSING POLICY FORMATION.

At the present time citizen participation mechanisms are functioning within designated urban renewal areas. In addition, the Citizens Advisory Council through the Minority Group Housing Sub-Committee seeks to inform and receive recommendations from the Minority Group Sub-Committee on all planning and housing proposals.

The need to continually re-evaluate the existing citizen participation mechanisms functioning within the City is most evident. To achieve this re-evaluation Jersey City is prepared to conduct a citizen participation survey during the summer of 1973 for the purpose of using the survey's findings to upgrade existing participation vehicles. This survey will be conducted under Jersey City's 701 Comprehensive Planning Grant Action Year 1.

M. BROWNSTONE RENOVATION

M-34 COORDINATE AND FOSTER THE ARCHITECTURAL RESTORATION AND RENOVATION AND COMMUNITY WIDE SUPPORT FOR THE UPGRADING OF ALL BROWNSTONES AND ARCHITECTURALLY SIGNIFICANT STRUCTURES IN JERSEY CITY.

Within recent months, increased interest in and support for brownstone renovation has occurred in Jersey City. Efforts are now underway to involve local banks and businessmen in publicizing the availability of brownstones suitable for renovation in Jersey City. A special committee involving local bank and City officials has been formed to develop a coordinated approach to the City's brownstone revival effort. The committee's first effort has been to develop an Historic Preservation Ordinance which would create an Historic District Commission to plan and establish historic districts in Jersey City.

FOOTNOTES

1. Regional Plan Association, Regional Plan News, No. 91, September, 1969, page 4.
2. Ibid., pages 4-5.
3. It is important to note that the figure of 66.4% was computed only on the basis of income and does not reflect the fact that other factors, such as family size, age, number of household members employed, etc. would also determine eligibility.
4. Alvin E. Gershen Associates, Jersey City Housing Analysis, 1970, page 2.
5. Ibid., page 2.
6. The estimate of an annual deterioration rate of 2.7% (resulting in the deterioration of an estimated 2,168 units annually) has been based upon lengthy surveys of the actual age of structures found to be in code violation in Jersey City. Such surveys have indicated that violations and therefore, deterioration is presently occurring in pre-1949 as well as all pre-1939 structures. For this reason Jersey City estimates differ from those of the State of New Jersey.
7. Similar to footnote number 6 above, the discrepancy in the figure of the net change in total units in Jersey City during the past decade is based upon computation of specific figures for the decade tabulated from various agencies and departments in Jersey City. For this reason, the 1970 Census estimate of a net change in total units of an increase of +0.1% differs from the figure developed by the City of Jersey City of +2.9%.
8. The figure of 39% was derived based upon the 1970 State estimate and specific figures of 1971 and 1972 regarding the number of units abandoned and the increased number of deteriorated and dilapidated units.
9. It must first be clarified that although a unit or structure can be classified as being sound, it may still possess or exhibit characteristics which may render it either deteriorating or dilapidated.

Sound: Given the basic materials which were used in the construction of either the unit or structure, it appears to still maintain a quality which renders it quite stable and suitable for habitation.

- Deteriorated:** A structure or unit which may be lacking in certain vital areas such as proper plumbing, electrical and heating facilities.
- Dilapidated:** A structure or unit which possesses the qualities exhibited under deteriorating, however, to a greater extent. That is, there may be no individual toilet facilities or no electrical outlets where they would be specifically needed. Other severe structural faults which are irreparable by present day construction standards or are economically unfeasible or undesirable.
- Substandard:** Can be a unit or a structure which is either deteriorated or dilapidated. This is basically a value judgment and there are degrees of "substandardness". There may also be structurally sound units which might be considered substandard since there was a lack of proper maintenance on the part of both the tenant and/or landlord.

10. It should be noted most carefully that the figures referred to above of 44,761 families earning under \$12,000 annually and 12,635 families earning under \$5,000 annually refer to families only and not households since comparable annual income breakdowns for unrelated individuals (of which the term "households" are also composed) are not available. The accompanying breakdown, therefore, can be used as a guide to general household housing need for families since unrelated individuals are not included.

CITY OF JERSEY CITY
Paul T. Jordan, M.D. Mayor

Peter A. Korn
Business Administrator

THE CITY COUNCIL

Hon. Dominick J. Pugliese, President
Hon. Paul Cuprowski
Hon. Timothy J. Hawkes
Hon. Thomas Maresca
Hon. William A. Massa
Hon. Morris Pesin
Hon. Lois Shaw
Hon. William J. Thornton
Hon. Peter J. Zampella

THE PLANNING BOARD

William George, Chairman
Hirsh Schpoont, Vice Chairman
Dr. Michael Aria
Edward J. Baltarzuk
Donald Howard
Edward Warlikowski
William Bromerski
Margaret Jeffers
Paul T. Jordan, M.D. Mayor
Anne H. O'Malley, Secretary

THE DIVISION OF PLANNING

201-434-3600

- ✓ Abraham Wallach, Director of Planning
- Eugene J. Duffy, Assistant Director
- Alan J. Segan, Chief Physical Planner
- Charles E. Wyatt, Principal Planner
- Margaret A. Sheehan, Principal Planner
- William Milczarski, Senior Planner
- Jerome M. Killeen, Senior Planner
- Mukul G. Asher, Staff Economist
- Jack R. Stokvis, Senior Planner
- Helen Mazur, Administrative Assistant
- Eva Oliveras, Clerk Stenographer
- Agnes M. Campbell, Clerk Typist
- Angela Ruggiero, Senior Accounts Clerk

This report was prepared by Margaret A. Sheehan, Principal Planner of the Division of Planning. Graphics by Virendra Chandra and Paul Svetlik. Photographs by John Jakubowski and Paul Svetlik.

